Daily Report

Latin America

FBIS-LAT-95-080
Wednesday
26 April 1995

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Daily Report
Latin America

FBIS-LAT-95-080 *26 April 1995*

CONTENTS

INTER-AMERICAN AFFAIRS

Organizations Urge Caricom To Protest U.S. Bill on Cuba *[CANA]* 1
Brazil's Cardoso, Vargas Discuss Cooperation at OAS *[CANA]* 1

CARIBBEAN

Cuba

TRABAJADORES Criticizes Helms-Burton Bill *[Havana Radio]* 2
Union Action Plan To Protest Helms Bill 'Monstrosity' *[Havana Radio]* 2
Official Tells Nonaligned Meeting U.S. Bill 'Meddlesome' *[Havana TV]* 2
CTC Secretary General on Upcoming Congress *[Havana Radio]* 2
Rosales Leads Special-Period Commission to Granma *[Havana Radio]* 3
Cuba, PRC Sign Agreement for Promotion of Investments *[PRENSA LATINA]* 4
ANPP Commission Discusses Decline in Values, Conduct *[Havana Radio]* 4
Drought, Old Aqueduct Systems Cause Water Shortages *[Havana Radio]* 4
New Customs Duties in Effect From 1 Jun *[Havana Radio]* 5

Haiti

Electoral Council Chief on Preparations, Problems With UN *[Port-au-Prince Radio]* 5

St. Lucia

Government Appoints Commission To Probe Misappropriation *[CANA]* 6

MEXICO

Attorney Gen Cited on Criminal Activities by Police *[NOTIMEX]* 7
Migration Institute Commissioner on Border Controls *[LA JORNADA 20 Apr]* 7
President Zedillo Comments on Proposals To Benefit Peasants *[Mexico City TV]* 8
Peso Futures Contract Returns to Chicago Exchange *[REFORMA 25 Apr]* 8
Exchange Centers Linked To Pressure on Peso *[EL FINANCIERO 18 Apr]* 9
Government Income To Grow 73 Percent Through VAT *[EL FINANCIERO 21 Apr]* 10
Commerce Secretary on Advantages of Free Trade Agreements *[NOTIMEX]* 10
Importers Face Tighter Credit in Wake of Financial Crisis *[EL FINANCIERO 17 Apr]* 11
First Quarter Trade Balance Shows $88 Million Surplus *[EL FINANCIERO 21 Apr]* 12
Unions Say Government Privatizing Strategic Areas *[REFORMA 20 Apr]* 12
Private Sector's Proposals to Modernize IMSS *[EL FINANCIERO 21 Apr]* 12
Legislation Seeks Approval of Private Gas Investments *[Mexico City Radio]* 13
National Bank Reports 35-Percent Reduction in Revenues *[LA JORNADA 24 Apr]* 13
Unemployment Rate Reaches 'Historic' High Level *[EL FINANCIERO 19 Apr]* 13
Roundup of Mexican Economic Developments *[EL FINANCIERO 17 Apr, etc.]* 14
Citizen Adviser Says PRI Undermining Electoral Reform *[EL FINANCIERO 20 Apr]* 15
Article Assesses Electoral Reform Efforts *[PROCESO 17 Apr]* 15
IFE Establishes Maximum Contributions for Parties in 1995 *[EL FINANCIERO 20 Apr]* 17
Interlocutors Depart Following Conclusion of Chiapas Talks *[NOTIMEX]* 17
Army, EZLN, Government Commitments Outlined *[EL FINANCIERO 24 Apr]* 18
Government Secretariat Dismisses EZLN's 10-Point Proposal *[EL FINANCIERO 24 Apr]* 19
Government Says Dialogue With EZLN Not Interrupted *[NOTIMEX]* 20
Government Secretariat, Chiapas Governor on Peace Talks *[Mexico City TV]* 20

CENTRAL AMERICA

El Salvador

President Criticizes Threats by Black Shadow Organization *[LA PRENSA GRAFICA 22 Apr]* 22

Guatemala

Government Denies Congress Left Out of Negotiations *[Guatemala City TV]* 22
Ombudsman on De Leon's Bill To Create Secretariat *[LA REPUBLICA 23 Apr]* 22
Commission President on Tariff Consolidation *[PRENSA LIBRE 22 Apr]* 23

Nicaragua

Colombia Accuses Country of Supplying Weapons to Rebels *[LA PRENSA 24 Apr]* 24

Panama
Organized Workers Reject Labor Code Reforms *[LA PRENSA 23 Apr]* 24
Construction Sector Sees Decline in Growth Rate *[ACAN]* 25

SOUTH AMERICA

Argentina
Menem: Charges of Atrocities in 'Dirty War' To Be Probed *[TELAM]* 26
Cavallo Wants 'Immediate' Patents Law Implementation *[CLARIN 25 Apr]* 26
Di Tella on Hurd Meeting, 'Irreversible' Falklands Claim *[TELAM]* 26
Tells Hurd: Falklands Sovereignty 'Non-Negotiable' *[TELAM]* 27
Congratulations Prompt Falklands Celebration *[LA PRENSA 21 Apr]* 27
Repentant Army Sergeant Explains 'Death Flights' *[NOTICIAS ARGENTINAS]* 28
Frepaso Publicizes Foreign Policy Priorities in EU *[TELAM]* 29
Cuban-American International Drug Trafficker Arrested *[TELAM]* 29
Correction to Congress To Override Presidential Veto 30

Bolivia
Justice Minister Reports on New Extradition Treaty *[LA RAZON 17 Apr]* 30
Further on President's Remarks at Navy Anniversary *[La Paz Radio]* 31
Defense Minister Says Chapare Not To Be Militarized *[HOY 14 Apr]* 31
Armed Forces Commander Rejects Any Possible Coup Attempt *[La Paz Radio]* 31
Arrest of Six Teachers Leaders in La Paz Confirmed *[La Paz TV]* 32

Brazil
Lula Criticizes Cardoso's 'Subservient' Attitude in U.S. *[AGENCIA ESTADO]* 32
Cardoso's U.S. Visit Seen as 'Relatively Successful' *[FOLHA DE SAO PAULO 23 Apr]* 32
More on U.S. Visit *[O ESTADO DE SAO PAULO 23 Apr]* 33
Daily Notes New U.S. Attitude Toward Latin America *[JORNAL DO BRASIL 23 Apr]* 34
Cardoso Suspends Trip to Portugal *[Brasilia Radio]* 34
Senators Want To Suspend Approval for Sivam Loan *[AGENCIA ESTADO 24 Apr]* 35
Presidential Spokesman Admits ESCA Could Remain in Sivam *[AGENCIA ESTADO]* 35
Government Selection Process of ESCA, Raytheon Viewed *[FOLHA DE SAO PAULO 23 Apr]* ... 35
Government Promises To Prove ESCA Has Not Been Favored *[JORNAL DO BRASIL 24 Apr]* ... 36
Military To Tell Congress Sivam Must Be Implemented *[FOLHA DE SAO PAULO 24 Apr]* 37
IMF Directors Voice Support for Real, Economic Team *[AGENCIA ESTADO]* 38
Government Leader Hails Approval of Reform *[AGENCIA ESTADO]* 38
Committee Approves End of Piped Gas Supply Monopoly *[AGENCIA ESTADO]* 38
Uranium Reserves Drop by 140.8 Tonnes *[Madrid EFE]* 38
People Link Corruption to Violence, Poverty to Crime *[JORNAL DO BRASIL 24 Apr]* 39

Colombia
Minister To Ask Nicaragua To Clarify San Andres Position *[NOTIMEX]* 39
Government Acquires Nicaraguan Share of EU Banana Market *[Santa Fe de Bogota Radio]* 40
Government To Privatize Financial, Energy Sectors *[NOTIMEX]* 40
Liberal Party Secretary General on Various Issues *[Santa Fe de Bogota Radio]* 40
Newsman Preparing Defense, Says Nothing To Hide *[Santa Fe de Bogota TV]* 42

Paraguay
Wasmosy Rejects Continuous Changes to Mercosur Treaty *[ABC COLOR 22 Apr]* 42
Wasmosy: 'Not Appropriate' To Draft Youths Into Military *[ABC COLOR 22 Apr]* 42

Uruguay
Foreign Minister Disagrees With U.S. Human Rights Report *[LA MANANA 18 Apr]* 42
Correction to U.S. State Department Report Discussed 43

Venezuela
President Announces Wage Increase for Armed Forces *[EL UNIVERSAL 22 Apr]* 43
Labor, Business Leaders Support Anti-Inflation Plan *[Caracas TV]* 43
Government To Authorize Imports To Check Rising Food Prices *[Caracas TV]* 44
Crude Oil, Liquid Gas Production Increased in 1994
[REPORTE DIARIO DE LA ECONOMIA 24 Apr] 44
Roundup of Economic Developments *[ECONOMIA HOY 19 Apr, etc.]* 45

Suriname
President Says Coalition Partner Endangers Sovereignty *[NRC HANDELSBLAD 24 Apr]* 46

Organizations Urge Caricom To Protest U.S. Bill on Cuba

FL2504204195 Bridgetown CANA in English 2025 GMT 25 Apr 95

[FBIS Transcribed Text] Bridgetown, Barbados, April 25, CANA—A number of Caribbean non-governmental organisations (NGOs) have urged Caribbean Community (Caricom) goverments to "condemn" and "protest" a U.S.-drafted legislation which seeks to isolate Cuba by cutting of its trading and business links.

The NGOs, grouped under the Barbados-based Caribbean Policy Development Centre (CPDC), include: The Association of Caribbean Economists (ACE), the Association of Development Agencies (ADA), the Caribbean Association of Feminist Research & Action (CAFRA), and the Windward Islands Farmers' Association (WINFA).

"We urge Caricom governments to issue the strongest possible protest and condemnation of this U.S. attempt to strangle our sister nation Cuba, and dictate to us a foreign policy against Cuba which is already isolated at the level of the United Nations," the CPDC said in a statement.

"The proposed bill is a direct encroachment on the rights of Caricom countries, who have been developing trade, scientific and cultural relations with Cuba through the Caricom-Cuba Commission and constitutes yet another attempt to impose U.S. dictates on the foreign policies of other sovereign states," it added.

The CPDC explained the Cuban Liberty and Democratic Solidarity Act, which is being piloted by U.S. Foreign Relations Committee Chairman, Senator Jesse Helms, comes at a time when Cuba is looking to strengthen its trade and economic links with Caricom and other regions.

In a letter to Caricom chairman and Belizean Prime Minister, Manuel Esquivel, the Clement Payne Labour Union (CPLU) here also voiced its concerns about the bill. It said the "Helms Law" was an act of "naked imperialistic aggression" against Cuba and its Caricom neighbours.

The letter was also sent to the prime ministers of Antigua, Bahamas, Barbados, Dominica, Grenada, Guyana, Jamaica, St. Kitts-Nevis, St. Lucia, Montserrat, St. Vincent and the Grenadines and Trinidad and Tobago.

"In light of the recent establishment of the joint Cuba-Caricom Commission designed to foster functional, cultural and economic cooperation between Cuba and our Caricom member states, it is clear that Caricom nationals and companies will be particularly targetted under the "Helms Law", the letter, signed by General Secretary, Bobby Clarke, and union organiser, David Commissiong said.

"We in the CPLU therefore urge you and your Caricom colleagues to take as strong a stand as possible against Senator Helms...," the CPLU added.

Brazil's Cardoso, Vargas Discuss Cooperation at OAS

FL2504173395 Bridgetown CANA in English 1617 GMT 25 Apr 95

[FBIS Transcribed Text] Washington, April 25, CANA—President Fernando Henrique Cardoso of Brazil says his nation is committed to close co-operation with other nations of the hemisphere, including the Caribbean.

Addressing a special session of the Permanent Council of the Organisation of American States (OAS), President Cardoso said for Brazil the friendship of the peoples of the Americas "is a legacy of extraordinary import and a constant source of inspiration for forging the new ties that will bring our countries even closer together."

He referred to the soon to be launched Brazilian Co-operation Fund which will assist in financing projects implemented in association with the OAS, in areas of interest to the less developed countries of the hemisphere.

OAS Secretary General, Cesar Gaviria and current president of the Permanent Council, Ambassador Marlene Villela de Talbot, Permanent Representative of Honduras to the OAS, also addressed the session.

Later, in a televised interview at OAS headquarters, Brazil's Minister of Science and Technology, Israel Vargas, said that his country wished to pursue technical and scientific co-operation with neighboring Guyana and the other nations of the Caribbean Community (Caricom).

The minister said that Brazil would consider granting scholarships to technical personnel from the Caribbean in a range of fields including informatics, environment and engineering. More than 2,000 students from Latin America and Africa currently benefit from training in science and technology in Brazil, he said.

He indicated that Brazil had recently installed a satellite for the collection and transmission of data about various aspects of the environment of the Amazon region and offered access to this information free of cost to Guyana and the Caribbean.

Vargas said that his country's Goeldi Museum, located in Belem do Para, and the National Institute for Research of the Amazon (INPA), are open to technical personnel from the Caribbean.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Cuba

TRABAJADORES Criticizes Helms-Burton Bill

PA2504145895 Havana Radio Havana Cuba in Spanish 0000 GMT 25 Apr 95

[From the "Evening Information Review" newscast]

[FBIS Translated Text] The bill introduced by U.S. Congressmen Jesse Helms and Dan Burton to tighten the embargo against Cuba intends to force the Cuban people to renounce their essential rights, the Cuban newspaper TRABAJADORES says in an article published on Monday [24 April]. The outdated idea sponsored by Helms presupposes that the United States can exclude Cuba from international financing organizations and ban its relations with other countries, thus ignoring essential factors like legitimate interests, sovereignty, and independence. In an illustration of the fascist and racist ideology in the United States, the bill intends primarily to blot out the concept of nation and national sovereignty and then turn this measure into a basis for ruling over other countries, the article continues. After pointing out that Cuba is a small but unconquerable country, the newspaper says that in order to turn the embargo into a state of siege against Cuba, the sponsors of this proposal will have to confront present and future generations of Cubans, who will never surrender.

Union Action Plan To Protest Helms Bill 'Monstrosity'

FL2504205495 Havana Radio Rebelde Network in Spanish 1700 GMT 25 Apr 95

[From the "National Radio News"]

[FBIS Translated Text] The National Council of the National Union of Cuban Lawyers [UNJC] has met in special session and approved an action plan to publicize the intrusive nature of the anti-Cuban monstrosity known as the Helms-Burton bill. The plan includes an information campaign to be carried out at all base, municipal, and provincial UNJC organizations to educate people on how the bill violates the principles, standards, and guidelines of the UN Charter and international law. UNJC President Arnel Medina Cuenca discussed the plan:

[Begin Medina recording] Our plan includes the following points, among others:

—To convoke a scientific seminar to study the legal aspects of the new anti-Cuban bill;

—To hold a news conference at the AIN Center at 1400 on 10 May, to which lawyers from all provinces, members of the Cuban and international press, and other nongovernmental organizations will be invited;

—To discuss the legality of the Guantanamo Naval Base at the seminar to be held 5-8 July;

—To support the audience called by the National Assembly of the People's Government for all Cuban universities;

—To discuss the issue at base-level UNJC organizations in all municipalities and with other grass-roots and social organizations;

—To carry out an extensive information campaign to inform our workers, students, and members of the Committees for the Defense of the Revolution and Federation of University Students about violations of international law, the U.S. Constitution, and human rights of Cuban citizens that would occur with the passage of this legal monstrosity.

We also plan to develop an international campaign seeking support from lawyers associations and other nongovernmental organizations in the struggle against this new attempt of aggression against Cuba's sovereignty. [end recording]

Official Tells Nonaligned Meeting U.S. Bill 'Meddlesome'

FL2604020895 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0000 GMT 26 Apr 95

[From the "NTV" newscast]

[FBIS Translated Text] Cuba was elected to one of the vice presidencies during a ministerial meeting of the Nonaligned Movement's Coordination Bureau in Bandung, Indonesia. First Vice Foreign Minister Fernando Remirez de Estenoz, who leads the Cuban delegation to the meeting, highlighted, among other things, the need to establish international cooperation and to give priority to the promotion of economic and social development. Remirez denounced the antidemocratic and meddlesome nature of the so-called Helms-Burton project against Cuba.

CTC Secretary General on Upcoming Congress

PA2304200195 Havana Radio Havana Cuba in Spanish 0000 GMT 23 Apr 95

[Interview with CTC Secretary General Pedro Ross Leal by Susana del Calvo; place and date not given; from the "Evening Information Review" newscast—recorded]

[FBIS Translated Text] [Del Calvo] 1 May is approaching, and the Cuban labor movement is very busy, because a call for the Cuban Workers Federation's [CTC] 17th Congress will be made on that date. We will now interview CTC Secretary General Pedro Ross Leal.

This call was debated extensively during the ninth plenum of the CTC's National Committee, which has just been held. What is the basis for this call?

[Ross] Our call for the CTC's 17th Congress will deal with the topics to be discussed by workers. These topics will touch on the workers' lives and interests in light of

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

the changes, reforms, and economic measures in the country. At this congress, we will discuss jobs for the unemployed, how to protect laid-off workers, how workers can defend the supreme interests of the revolution, and how the labor movement and each union can make even greater efforts to defend the workers' collective and individual interests. In this call we will try to make known what could become the agenda for the congress.

[Del Calvo] This is a challenge for the Cuban labor movement. Economic changes and transformations are affecting the workers' lives directly.

[Ross] This is surely a challenge for Cuba's labor movement, its workers, and people. It is certainly a challenge to make the necessary changes to respond to the current political and economic situation while preserving equity and social justice.

[Del Calvo] Have you, on previous occasions, proposed a gradual dismissal of workers as is being done?

[Ross] Yes, this process is taking place gradually and firmly, always with the labor unions' consent and participation. First, we will discuss the laid-off workers' situation and how they will be protected.

[Del Calvo] Will the informal sector that has emerged somehow be organized or benefit under organized labor?

[Ross] We believe that the private sector will be one of the sources of jobs in the future for many laid-off available workers. We believe that these workers should be organized.

[Del Calvo] The [words indistinct] union emerged between the CTC's 16th and 17th Congresses. The tourism union is in the process of emerging.

[Ross] The Union of Commerce and Gastronomy Workers will hold its congress late in June or early July. The new Union of Tourism Workers will be created at this congress by request from thousands of tourism workers. This is resulting from the continued growth of this labor sector in our country, its activities, and the need to become organized and look after these workers.

[Del Calvo] One of the coincidences during the 16th Congress had to do precisely with the need to improve the labor movement—that is to say, to accurately outline the activities of each of the unions.

[Ross] Precisely. This is the reason for the creation of the science workers union and this new tourism workers union. We will continue to work on this, depending on what the workers say. We cannot act without their input. In this way, we will continue to improve our work and organization for more effective labor union activities.

[Del Calvo] In other words, new labor unions will be created within the same federation.

[Ross] Well, the workers want to belong to this federation.

[Del Calvo] I understand that, and although the traditional rally will not be held at the Plaza de la Revolucion on 1 May, you people intend to make a general call for the congress and, in addition, hold a special event in Havana to commemorate 1 May.

[Ross] Right. For economic reasons, 1 May will not be commemorated at the Plaza de la Revolucion as in the past. Mobilizing from 800,000 to 1 million workers to a single place in the capital is costly. For this reason, last year we decided to hold a commemoration event in every municipality in Havana and the rest of the country. I estimate that between 6 million and 7 million people will participate in 1 May commemorations throughout the country this year.

Our main event will be held in a plaza also, not the Plaza de la Revolucion, but at the plaza where the first monument to our national hero Jose Marti is located. This is where 1 May was commemorated for the first time in 1890. We will commemorate the 105th anniversary of that first event, which was attended by some 3,000 workers. There will be a parade similar to the one held at the time. We think that more than 40,000 workers will attend this event. Similar events will be held in every municipality, community, village, and workplace throughout the country.

[Del Calvo] [Words indistinct]

[Ross] Yes. We expect more than 400 foreign delegates to be present for our 1 May commemoration.

[Del Calvo] Thank you for your remarks for this station. We expect to attend the 1 May commemoration.

Rosales Leads Special-Period Commission to Granma

FL2404234795 Havana Radio Rebelde Network in Spanish 1700 GMT 24 Apr 95

[From the "National Radio News"]

[FBIS Translated Text] A government commission led by Politburo member, Division General Ulises Rosales del Toro, today began a three-day visit to Bayamo City, Granma. The main goal of the visit is to evaluate compliance with Commander in Chief Fidel Castro's directives for confronting the special period. The commission consists of 10 working groups, including agricultural food production; harvest; education, science, technology and environment; public health; and defense, among others.

This is the third visit of this kind in Cuba. The previous visits took place in San Cristobal Municipality, Pinar del Rio, and Cumanayagua Municipality, Cienfuegos.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Cuba, PRC Sign Agreement for Promotion of Investments

PA2504120895 Havana PRENSA LATINA in Spanish 1104 GMT 24 Apr 95

[FBIS Translated Text] Peking, 24 Apr (PL)—Today, the PRC and Cuba signed an agreement for the reciprocal promotion and protection of investments to open a new path in economic and commercial relations for the benefit of both countries.

Ernesto Melendez, Cuban minister for foreign investments and economic cooperation, and Shun Zhenyu, PRC deputy minister of foreign trade and economic cooperation, signed the agreement at the Cuban Embassy in the PRC.

According to Melendez, the agreement reflects the political will of both governments to encourage the reciprocal presence of enterprises within the framework of relations, which reached their peak level during PRC President Jiang Zemin's visit to Havana in 1993.

After signing the agreement, Melendez expressed his gratitude for the manner in which the negotiations were conducted as well as his confidence the agreements will be expanded and will respond to the interests of both governments.

Meanwhile, Deputy Minister Sun Zhenyu said the PRC maintains good relations with Cuba and has closely followed the islands' successes. He also expressed his desire that cooperation between both countries will become a model of economic and commercial relations.

Melendez granted a news conference to PRC businessmen during which he explained the advantages and facilities available in Cuba to foreign investors.

The Cuban delegation today also met with the president of the state pharmaceutical administration and reviewed efforts to incorporate Cuban achievements in this field into PRC public health.

Today, the Cuban visitors traveled to Shanghai, where they will carry out activities with financial and industrial enterprises and institutions.

ANPP Commission Discusses Decline in Values, Conduct

FL2504162295 Havana Radio Rebelde Network in Spanish 2300 GMT 24 Apr 95

[From the "Exclusive" program]

[FBIS Translated Text] The Education, Culture, and Science Commission of the National Assembly of the People's Government [ANPP] held the first session of a public audience today in the Convention Center in Havana. Value formation in children and young people in the current situation was the primary topic discussed. It was no coincidence that participants agreed that the special period has caused a decline [deterioro] in some people's conduct. Fernando Gonzalez, vice president of Havana University, and Alina Perez, director of the center of studies on the youth, participated in the meeting, and offered their views.

[Begin recording] [Gonzalez] The fact that we had to introduce market elements or joint ventures, is no reason to lead us to a decline in values. This would continue to support the notion of the linear correlation between the economy and the superstructure. Yet, the superstructure—institutions, social life, the Cuban society as a whole—must develop mechanisms to free us from this fatalist concept, an evolution from triumph to fatalism. We have began to see children from elementary schools who bring coke, bread, and ham for lunch, whereas others bring water with sugar. This is evidently an indication of decline. Yet, it is not a mere theoretical explanation because capitalism—reducing it to its affect on man—is the psychology of the justified difference among men. When we allow this to happen, it is not because of markets, or foreign enterprises, but because we have not been serious enough to bring the party's precepts into the community and the schools to preserve values.

[Perez] Values are not only taught by social institutions such as schools. Families have a special role in teaching values. There is also a value crisis in adults, and we should address the problem, because the double morals phenomena is not unique to the young people, but involves adults as well. This phenomena is more widespread, it is not restricted to a segment of society. [end recording]

Tomorrow participants will end the debate, which is trying to define guidelines to consolidate the whole formation of our society.

Drought, Old Aqueduct Systems Cause Water Shortages

FL2504170495 Editorial Report] Havana Radio Rebelde Network in Spanish at 1155 GMT 25 on April carries two five minute interviews with aqueduct system officials, conducted by correspondents Carlos Sanabria in Santiago de Cuba, and Jose Mejilla in Guantanamo.

Sanabria interviews Jose Cabrera, director of the Santiago de Cuba Aqueduct, at the facility, on the "water shortage crisis" in the city of Santiago. Cabrera states that only approximately 36,000 gallons of the 82,000 gallon daily demand is being supplied, noting that for approximately the last six months, the main pumping station has been supplying between 29,000 and 30,000 gallons to a "conservative estimate of 170,000 inhabitants." Cabrera states that, due to insufficient pressure, water is trucked up to the higher parts of the city, noting that equipment shortages affect some 50,000 inhabitants there, and "significantly complicates the situation." Cabrera stresses the large number of leaks also exacerbates the problem, explaining that the aquaduct is over

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

60 years old and was built to support a smaller population, which means it is now "technologically insufficient" and corroded. Cabrera goes on to say that no major work has been done on the system for 25 to 30 years, while "population and industry has grown." Cabrera admits that the system could not distribute the 82,000 gallons even if it were available because of its poor condition. He states that provincial leadership has prioritized construction to begin in May on a canal from Carlos Manuel de Cespedes Dam in Contramaestre Municipality to supply water to the city. Sanabria winds up the interview noting that weather officials predict extended drought conditions which will affect Guantanamo, Santiago de Cuba and Granma, as well as the Caribbean.

Mejilla, in Guantanamo, interviews Jose Angel Hernadez, the provincial aqueduct authority director. He asks Hernandez to discuss the major water works projects in Guantanamo. Hernandez responds that the Esperanza Dam has just been completed which guarantees water to Guantanamo City, noting that the supply to Baracoa is also "quite stable." He notes repairs to old systems in Maisi are underway. Hernandez stresses that the water shortage is due not only to the drought but to the many leaks in the system in "almost every city in the nation" stating that "20 percent of the water pumped daily in Guantanamo is lost through leaks and wasteful use by the people." He urges the population to be aware of leaks at home and at work centers which waste approximately "15 million liters of water per day." Mejillas notes that there are 132 water supply sources in Guantanamo, and approximately 2 million liters of water are pumped per day covering only 60 percent of demand. He notes that it has not rained for approximately 10 months and the drought is extreme in the province. He urges citizens to make every effort to save water.

New Customs Duties in Effect From 1 Jun

FL2604021895 Havana Radio Rebelde Network in Spanish 2300 GMT 25 Apr 95

[From the "Exclusive" program]

[FBIS Translated Text] Carlos Chain, deputy chief of the General Customs Office, has reported on the Finance and Prices Ministry's new policies regarding the noncommercial imports of tourists visiting Cuba. The resolution ratifies customs duties payment exemption for passengers who import products worth up to 100 pesos—national currency—on every visit they make to Cuba. These products can be for personal use or gifts. Products worth between 100 and 1,000 pesos—national currency—will pay a tariff of 100-percent of said value. Imports of this type can only be made twice a year. Duty will be paid in convertible Cuban pesos by:

—Foreigners who are temporary residents in Cuba, as well as all others who reside outside of Cuba;

—Cuban citizens who reside permanently outside of Cuba;

—Cuban citizens who reside in Cuba who return from a visit to another country having been previously invited by permanent residence of that country.

The payment of duties by Cuban citizens who reside in Cuba who were not included in the previous sections and foreigners who reside permanently in Cuba will be paid in Cuban pesos:

[Begin Chain recording] The resolution indicates that the people importing these products are the ones who will pay duties in Cuban pesos. As for the ones I referred to earlier, who do not have the possibility of making these imports today, they will be charged a fee of 100-percent, which will be payable in convertible pesos. [end recording]

These new measures will become effective on 1 June 1995.

Haiti

Electoral Council Chief on Preparations, Problems With UN

PA2504214995 Port-au-Prince Radio Metropole in French 1600 GMT 25 Apr 95

[FBIS Translated Text] The Electoral Council says there are more than 1,000 candidates on the 25 June ballot. Meanwhile, over 2 million voters have taken their electoral cards and registered. The president of the Provisional Electoral Council [CEP] is pleased with these developments. Rothschild Francois filed a report.

[Rothschild] Less than a week before voter registration ends, the CEP's president is increasingly optimistic about the future of the electoral process. According to Anselme Remy, over 2 million voters have registered in anticipation of the 25 June voting. Anselme Remy has also announced some measures designed to increase the number of BIV's [Registration and Voting Offices] throughout the republic. Ways to improve BIV operations are also under study. The chief of the Electoral Council also deems necessary real mobilization of the public in these elections. Clearly, the people must continue to take in their electoral cards, their real visas for participating in the 25 June elections, and register. The council president said this is very important for the future of democracy. The CEP president also assessed the outcome of the registration of candidates, whose deadline was Saturday, 22 April.

[Begin Remy recording, in Creole] We learned on 24 April that 88 candidates for the Senate and 314 candidates for deputies have registered throughout the republic. I think about 10 to 15 political parties are participating, are already part of the process. I do know exactly which parties are in it, but surely we have between 10 and 15. About 3,000 registration offices are at work. We have asked for an increase of 2,185, in addition to the 2,993 already working. [end recording]

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

[Francois] At his news conference, the CEP president confirmed that a commission for electoral surveillance will be formed. This decision was made in agreement with the various political groups represented in the elections.

[Begin Remy recording, in Creole] At the request of the political parties, we in the council are preparing a proposal for a control and electoral observers commission. By Wednesday the 26th or Thursday the 27th of April, we will submit the proposal for their consideration. We will discuss it, and we will implement it to try and avoid fraud in this process. [end recording]

[Francois] The CEP president also used this news conference to denounce, and I quote: The weight of the United Nations bureaucracy also involved in the electoral process. Anselme Remy also strongly criticized the agreement signed by the Haitian Government and the United Nations on the electoral process. The CEP president also confessed that the council is facing some financial problems. The UN decides when the money is necessary and sets the pace for disbursing of funds.

[Begin Remy recording, in Creole] In that sense, the BED's [Departmental Electoral Office] and BEC's [Communal Electoral Office] suffer, because the material that we give them must be ordered by the UN, which orders at its own pace, when it deems it necessary, and according to its own priorities. Sometimes we find people here who can give us the devices quicker and at cheaper prices, but the UN insists on placing the orders. That is why not one BED has electricity or copiers. We are struggling to get them to release the money for us to pay member of the BIV's. The money is available—it's not that it isn't available. The money is available. The government has signed an agreement with the UN. I hope that no other government in Haiti ever signs such an agreement ever again. [end recording]

[Francois] On the subject of the former public accountants who have not been relieved of their duties because of the absence of the other branch of Parliament, the CEP president pointed out that this case is currently being reviewed. In any case, Anselme Remy thinks that those citizens should not pay for the current constitutional vacuum. During this news conference, the CEP president also said that CEP Secretary General Mrs. Marie-Laurence Jocelyn Lasegue might return on 1 May.

St. Lucia

Government Appoints Commission To Probe Misappropriation

FL2504133795 Bridgetown CANA in English 2154 GMT 24 Apr 95

[FBIS Transcribed Text] Castries, St. Lucia, April 24, CANA—The St. Lucia government on Monday announced that a commission is being appointed to look into allegations of the misappropriation of United Nations funds allocated to St. Lucia.

A statement from the prime minister's office said that the cabinet of ministers had advised the Governor-General to appoint the commission which should begin consultations immediately.

The Attorney General has been asked to prepare terms of reference for the commission and to begin to identify a suitable person to carry out the inquiry.

More than US100,000 was allocated to the St. Lucia-based Eastern Caribbean Research Centre (ECRC) in 1991 for the hosting of a Caribbean conference.

The funds were withdrawn from the Chemical Bank in New York and used for other purposes, opposition politicians reported.

Government has denied knowledge of the existence of the ECRC, and said it never consented to the transactions.

It also disclosed that the former St. Lucia ambassador to the United Nations, Dr. Charles Flemming, was the sole signatory to the account.

However, Dr. Flemming accused Prime Minister John Compton of attempting to use him as a scapegoat, adding that Compton was very much aware of the existence of the ECRC.

Dr. Flemming said that in the exercise of his duty he was acting under the instructions of government, but stressed that none of the funds has been put to his personal use.

He called for an apology from the Prime Minister, failing which he said he would disclose the full extent of the administration's involvement in the matter, including the use that the funds were put to.

Two ministers in Prime Minister Compton's cabinet, Financial Services Minister Rufus Bousquet, and Tourism Minister Romanus Lansiquot, have joined calls for an inquiry into the misuse of the funds.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Attorney Gen Cited on Criminal Activities by Police

PA2504224295 Mexico City NOTIMEX in Spanish 1622 GMT 25 Apr 95

[FBIS Translated Text] Mexico City, 25 Apr (NOTIMEX)—Today, Antonio Lozano Gracia, attorney general of the republic, accepted FBI statements on the involvement of Federal Judicial Police agents in criminal activities.

He said "there is no use in trying to hide an evident situation. I believe the problem is serious, and there is hard work to be done to get the institution back to normal."

The FBI, a U.S. agency tasked with fighting drug trafficking, has reported that Judicial Police members were involved in 19 major drug trafficking organizations, kidnappers, and car thieves operating in the country.

The attorney general said "I believe the results of the struggle against drug trafficking and other criminal acts, such as kidnapping, demonstrate the need to reinforce the ethical values of our police force."

The official said "we are not fooling ourselves" regarding the fight against police corruption. "We realize there are many problems we must face."

He expressed his conviction that the country needs and deserves to see an end to the illegal activities of government employees in the Attorney General's Office and within the Federal District's judicial system.

Lozano Gracia said the administration of justice is not exactly going through one of its best periods. Although the efforts to counter corruption have been many, the results are not very flattering.

Deputy Attorney General Hiram Escudero has said there is specific information regarding office personnel.

The "FBI has made no new discovery," he has said. There is a need for improved multinational coordination in the struggle against drug trafficking and organized crime.

He added that there is indeed a criminal element in the police organizations and that many violent crimes are committed by people from within these organizations.

Migration Institute Commissioner on Border Controls

PA2104211595 Mexico City LA JORNADA in Spanish 20 Apr 95 p 10

[Report by Yolanda Lopez Ordaz]

[FBIS Translated Text] Tapachula, Chiapas, 19 Apr—National Migration Institute [INM] Commissioner Fernando Solis Camara said here today that "the federal government will not militarize Mexico's southern border to counter trafficking in illegal aliens, but it will launch programs to fight organized crime."

During the forum *Protection of Our Borders* for the integration of the 1995-2000 National Development Plan, the official said that the Zedillo administration will give priority to the southern border because a great number of people enter our territory through it. People use criminal bands which operate internationally to enter the United States using Mexico as a *bridge*.

He announced that a migration supervisory group will be set up during the second half of 1995, with the same characteristics of the *Beta* group that operates on the northern border, to offer protection to migrants who become victims of bands that traffic in illegal aliens and violate their human rights.

In coordination with the Communications and Transportation Secretariat (SCT), Finance and Public Credit Secretariat (SHCP), The Government Secretariat will enforce the General Population Law along in this border with Central America, in strict compliance with the laws.

Solis Camara rejected reports that the decision to strengthen surveillance on the southern border to counter the flow of migrants is a result of pressure on the Mexican Government by the United States, adding instead that this responds to the national migration policy's interests.

The INM commissioner admitted that approximately 8,000 foreigners are deported every month, and that the largest number of detentions and expulsions occur across this border. He also accepted that the flow of migrants has persisted for decades and that this social problem is difficult to explain.

He said a group of 106 Chinese remain at the port of San Carlos, Baja California Sur. They are being taken care of while their migration status is determined, but no one has requested political asylum yet, he said.

Meanwhile, Tapachula Bishop Felipe Arizmendi Esquivel, who participated in working sessions of the people's consultation forum, proposed a revision of the General Population Law to "prepare a law with a greater human sensitivity for illegal aliens, to respect their rights to life, health, education, and work."

He also requested an end to the rejection of Central Americans, particularly dispersed Guatemalan refugees who "are exposed to all kinds of discrimination and insecurity."

Arizmendi Esquivel issued an appeal to end xenophobic policies we criticize from the United States "but which Mexicans excessively enforce against Central Americans." He proposed the enforcement of measures to fight migration authorities' corruption and criminal gangs' attacks.

Mario Matus de Leon, president of the National Chamber of Commerce (Canaco) and Jaime Pedrero

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Vera, president of the National Association of Manufacturers (Canacintra) termed as a failure and a demagogic act the *Protection of Our Borders* consultation forum, which was organized by the Government Secretariat, because high-ranking officials from this agency "only stayed 15 minutes and left the working tables to return to the capital."

Matus de Leon publicly criticized the officials when he said that "with people like these we cannot resolve the exodus of dangerous foreigners who enter Mexican territory every day to engage in aggression, theft, abuse, and even homicide in their desperation to reach the United States." He said these forums only represent a farce and demagogic actions "that fail to provide in—depth solutions to a problem with very complex social roots."

President Zedillo Comments on Proposals To Benefit Peasants

PA2604033595 Mexico City XEW Television Network in Spanish 0430 GMT 25 Apr 95

[From the "24 Hours" newscast—passages within quotation marks recorded]

[FBIS Translated Text] It is necessary to improve the standards of living of Mexican peasants. At Los Pinos, President Ernesto Zedillo has received proposals from the National Peasant Confederation to be included in the National Development Plan for 1995-2000:

[Zedillo] "I hereby instruct the secretary of agriculture, livestock, and rural development to submit to me as soon as possible the upcoming actions we will implement to confront the serious problem of the drought, which is affecting many Mexican states."

The president spoke of his concern over the problem of overdue portfolios of many Mexican peasants. He said important efforts have been made in recent years to restructure the debts, but he admitted these efforts have not been enough:

[Zedillo] "With the proposals made by peasants and through agreements with financial institutions, we will take new steps in this direction. This will also permit us to renew the opportunities to obtain new financing and to arrive at a definitive solution, which you are rightfully demanding."

The president also spotlighted the following points:

1. Resources, responsibilities, and authority will be transferred to state and municipal governments, promoting the participation of peasant organizations.

2. The certification process of agrarian rights and the awarding of lots where peasant families established their homes will be concluded during this six-year term.

3. Full juridical security will be given to ejidos and communities of all states.

4. The agrarian backwardness in all states of the Mexican republic will be simultaneously terminated.

5. The Procampo [Program of Direct Support to the Countryside] system will continue being perfected so as to make it more efficient, fair, and timely.

6. The installation of assembly plants, small- and medium-sized industries, and service companies in the countryside will be promoted so as to allow people to remain in their hometowns.

7. The nourishment and nutrition program will be given priority, together with health services, to attend to poverty stricken areas.

Beatriz Paredes, leader of the National Peasant Confederation, spoke of the role of peasants in the new alliance with the Mexican state:

[Paredes, in progress] "...so we are no longer an obstacle, a niche of instability, or a field for agitation."

Peasant Deputies (Jesus Ziyev) and Manuel Perez Bonilla also spoke at the meeting.

Peso Futures Contract Returns to Chicago Exchange

PA2604031995 Mexico City REFORMA in Spanish 25 Apr 95 p A-19

[FBIS Translated Text] Miguel Mancera Aguayo, director of the Bank of Mexico, said last night the quotation of the peso in the futures market must not be seen as a foolproof prediction of the price of the Mexican currency.

"These Chicago quotations must not be seen as foolproof predictions of what the exchange rate of the Mexican currency will be" on the respective dates in which the futures contracts are listed, he said. A few hours before the peso futures contract returns to the Chicago Mercantile Exchange (CME) following a 10-year absence, Mancera explained via a commercial television station that the quotations are determined to a large extent by the difference in interest rates between Mexico and the United States.

"The difference in pesos and dollars in both countries' interest rates is very important in determining the quotation of the peso in the futures market, because the alternative to buy dollars in the futures market exists as well. They can also be purchased right away through a credit operation" in pesos, and the difference in the yield existing between the two countries can be saved.

He said the contracts were suspended in 1985, when Mexico had a regulated exchange rate system as well as a free one.

"The people sometimes thought the quotations were a type of prediction of what was going to happen and

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

began sowing unrest," Mancera said, adding the situation is different today, because the exchange rate is free and floating.

Exchange Centers Linked To Pressure on Peso

PA2204194595 Mexico City EL FINANCIERO in Spanish 18 Apr 94 p 8

[Report by Alicia Salgado]

[FBIS Translated Text] More than 1,000 "exchange centers," which have been totally unregulated and considered "trade establishments" since 1991, have become a determining factor in the speculation against the peso and are in part to blame for U.S. accusations of money "laundering" taking place within the Mexican financial system.

Without supervision of any authority and exempt from Bank of Mexico [Banxico] regulations, exchange centers were considered "retailers" in the eyes of the Secretariat of Treasury and Public Credit, which "deregulated" their activities. Since then, these activities have doubled or possibly tripled in an environment void of controls.

Just by "incorporating" as any trade company can, they operate in a three to four square meter area, maybe in an office, a drug store, or the town general store. These exchange centers have no obligations to increase their capital to guarantee the solvency of their operations, even though their customers are individuals who exchange dollars derived from migrant worker remittances, as well as small companies that require foreign currency to carry out foreign trade operations, particularly when the market appears "dry."

In addition, "exchange centers" have made the free exchange of currency a juicy business following December's devaluation. Besides counting on the highest "overprices" by selling dollars for 50 centavos to one new peso more than formal exchange markets, they also have found a mechanism that allows the transfer of funds outside of Mexico by using travelers checks. These checks are purchased at the going rate at the centers that issue them and that bring dollars into the country and change them into pesos in unlimited amounts with the sole basic promise of "carrying out cash transactions."

This is virtually the only limitation that deregulation imposed on them: not to sell papers in foreign currency and not to purchase them if their price is higher than $3,000. They cannot make a transfer of funds either, although some do make them in the form of "cash" transactions.

Almost 420 of the so-called "retail exchange houses" withdrew on 27 December 1991 from the Mexican Association of Exchange Houses, which includes 40 of the 48 exchange houses that operate in the so-called "regulated exchange market," the majority of which are linked to financial groups. At that time the Treasury Secretariat "excluded" them from the financial system, transferring them to the trade sector, even though the "retailers" have demonstrated since 1986 their financial inability to increase their capital from 5 million old pesos to million new pesos in order to establish branches.

As a result, the authorities decided that their activity—currency exchange—did not need to be regulated by Banxico or supervised by the National Banking Commission, given the minor level of their operations. Then-Treasury Secretary Pedro Aspe went so far as to note that their transactions must not exceed more than $10,000 a day, despite the great number of these operations.

This amount, however, was compared to the volume handled by exchange houses such as Euromex of the Banacci Group, which has the infrastructure and capacity to transfer corporate funds for up to $500 million and has maintained a No. 1 ranking in this field since before the banking sector's privatization. This was compared with the Tiber Exchange Center, which was devoted to the retail market and handled daily currency transactions worth $10,000.

Exchange houses authorized by the Treasury Secretariat and regulated by Banxico are obligated to have minimum capital of 7.5 million new pesos to guarantee the solvency of their daily operations. Moreover, according to the 31 March notice published in DIARIO OFICIAL DE LA FEDERACION by the same secretariat, they should increase this level by 750,000 new pesos before the end of 1995.

In an interview with EL FINANCIERO, Jose Ramirez, general director of the Mexican Association of Exchange Houses, said the "deregulation" of the retail exchange houses, which turned them into "enterprises or exchange centers," has translated into a currency market without controls. Their operations are carried out in cash, and no one knows for certain the volume handled or the organizations or individual customers served, because these exchange centers do not even have the same tax obligations as exchange market intermediaries, such as "stores, drug stores, or offices." In turn, they could easily fall into money "laundering" activities.

Ramirez noted that during the highest level of speculation against the peso following the devaluation, the exchange centers, with their "hands on their hips," dragged the currency to eight pesos. Moreover, something that can "demonstrate they are not so small when viewed as a group" is the fact that, although the price of the peso was "tugged at just this end, it had repercussions on Banxico's daily wholesale operations."

Ramirez said that in an uncontrolled "cash" market—one in which the only real limitation is to obtain travelers checks, and given that issuers such as American Express do not release these easily unless they are exchanged for cash—some of these trade organization have excessive power.

Unofficially, it is believed that the volume these exchange centers handle nationwide tops $100 million a

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

day, as it is assumed that currently there are more than 1,500 of these trade businesses. In border in cities such as Tijuana, the unofficial volume is calculated to be near the $300 million level.

Government Income To Grow 73 Percent Through VAT

PA2504145995 Mexico City EL FINANCIERO in Spanish 21 Apr 95 p 23

[Report by Rebeca Lizarraga R.]

[FBIS Translated Text] The Private Sector Center for Economic Studies (CEESP) estimates that the federal government's income will increase 73 percent thanks to the increase in the value-added tax (VAT) and public service tariffs, which will be levied throughout Mexican society.

The report notes that the state will absorb the remaining 27 percent by reducing current expenses. But that percentage will affect the productive sector, which will feel the effects of the reduction in government purchases of goods and services.

CEESP adds that under current circumstances—when expectations are low—public support for the measures adopted is fundamental to the success of the economic program.

The report says that should the adjustment be distributed mainly through reductions in the public sector in terms of reducing functions and administrative structures, as well as personnel, in order to reduce current expenses and increase efficiency in the government apparatus, the effect on short- and long-term expectations would not be as profound and durable.

In CEESP's opinion, the economic program is based on the need to maintain a balance in public finances through actions designed to increase the government's income and to reduce its expenses.

That is an indispensable condition for recovering macroeconomic stability as soon as possible, guaranteeing control of inflation, and consequently adjusting financial factors and the exchange rate.

CEESP said that the goal for a primary surplus (the difference between income and non-financial expenses) has been increased to 4.4 percent of GDP. This is a 1.1 percentage points more than the goals set established in the program announced in January.

This amount is similar to the proportion in which the federal government's interest payments will increase as a result of the escalation of the domestic public debt's service caused by the devaluation and the increase in interest rates.

The report adds that public finances distributed adjustment efforts between an increase in government income equivalent to 0.9 percent of GDP, to be collected through the increase in VAT and the price of state-supplied good and services.

Expenses will be reduced 0.3 percent of GDP by cutting current expenses and investments. By implementing those measures, the economic balance—primary balance plus interest payments—will register a surplus equivalent to 0.5 percent of GDP, similar to the amount estimated in January of this year.

Combined with fiscal adjustments, the monetary policy is the second most important instrument in the program to recover price stability, absorb the least possible of the available resources, and control the depreciation of the peso.

Limiting the expansion of the money supply will significantly reduce the effects of the devaluation on prices. In that manner, costs will increase only once, preventing the initiation of a worse and more prolonged inflationary spiral.

In order to balance economic adjustments and the reduction of available resources, credit will be strictly regulated. This will inevitably result in an increase in interest rates.

In addition, CEESP predicts that the Central Bank will intervene occasionally in the exchange market in order to stabilize parity at a realistic level.

Commerce Secretary on Advantages of Free Trade Agreements

PA2504194495 Mexico City NOTIMEX in Spanish 2059 GMT 24 Apr 95

[FBIS Translated Text] Mexico City, 24 Apr (NOTIMEX)—In the short run, free trade agreements are a powerful ally in mitigating the effects of the economic crisis on production and employment, Mexican Commerce Secretary Herminio Blanco said today. He explained that access to markets since the treaties were implemented has generated exports, which have enabled the government to support the country's manufacturing sector, protect jobs, and lay the foundations of a stable and sustained recovery. At the Forum on International Trade Negotiations, trade negotiations have a strategic scope for Mexico because of the results they have yielded thus far and because they have also increased the flow of investment. He pointed out that preferential access for Mexican exporters by virtue of trade agreements and the investment opportunities they generate contribute to boosting competitiveness and efficiency in the national economy.

As for Latin American and European markets, he stressed that "they represent very clear opportunities within the framework of Mexico's trade negotiation campaign." The first because it shares obvious similarities with the market and the second because it is Europe,

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Mexico's second leading commercial partner and a growing supplier of productive investment, he remarked.

He said that Mexico will continue negotiating trade agreements with Central America and will seek mechanisms to deepen relations with the member countries of the Common Market of the South and promote hemispheric commercial integration.

He noted that a joint declaration between Mexico and the European Union will be signed in Paris on 2 May. This declaration shows their resolve to seek mechanisms to deepen bilateral commercial relations.

He recalled that ever since 1 January, industrialized countries have been lowering their tariffs to reach total average reduction of 40 percent during the coming five years, which will benefit Mexican exports. The official made it clear that this tariff reduction will not affect Mexico's tariffs because they are smaller than the tariffs consolidated at the WTO [World Trade Organization]. "The maximum tariffs we can impose in keeping with our rights within that organization are larger than the current ones," he explained. He said that the elimination of nontariff barriers achieved during the GATT Uruguay Round improved prospects for exports to those countries with which Mexico has not signed trade agreements.

He added that the Commerce Secretariat is planning a big push to lure direct foreign investment that will complement domestic savings to generate the jobs being demanded by the Mexican society. "We have proposed, in addition to launching a strong promotion campaign abroad, negotiating legal mechanisms similar to those included in the chapter on investment of the trade agreements signed with Canada, the United States, Costa Rica, Bolivia, Colombia and Venezuela that give investors security and confidence," he noted. "Promoting direct foreign investment, which can provide access to new markets and technologies in addition to contributing fresh resources, will become ever more important in an increasingly competitive world," he concluded.

Importers Face Tighter Credit in Wake of Financial Crisis

PA2204181695 Mexico City EL FINANCIERO in Spanish 17 Apr 95 p 5

[Report by Miryam Hazan]

[FBIS Translated Excerpt] Traditional letters of credit, which little by little had stopped being used for foreign trade transactions, have come back to life. Practically all foreign suppliers are now requesting them because of increased risk in the nation.

Now, however, these are not only being requested with the guarantee of a Mexican bank, as was the case in the past. Today, they also require the confirmation of a foreign bank, given the fear prevailing among foreign investors and businessmen that domestic banks may become insolvent.

Strangely enough, these instruments have now become necessary for those who need to import scarce raw materials, as well as for those who are involved in the import business. Some domestic banks handling a volume of between $40 million and $50 million per month in the first six months of last year are now only guaranteeing an average of about $2 million per month.

Likewise, the rates customers have to pay banks to issue letters of credit are running very high. Confirmation from a foreign bank included a 1.5 percent commission a few months back, but since then, this has risen to between 3 percent and 4 percent, depending on the bank. To this is added the Mexican bank's commission, which averages 3.5 percent per thousand.

Meanwhile, rates charged when letters of credit are refinanced have also become very steep. With or without confirmation, 9 percent to 10 percent above the Libor rate is now being charged.

Walter Mejia Triay, executive director of the international bank Bancrecer, explained that letters of credit were well known documents that had stopped being used in foreign trade operations because foreign suppliers had started to trust their customers. Even exporters from abroad started to operate with Mexican importers under an open account system. In this way, customers were virtually receiving revolving lines of credit from their suppliers.

This trust on behalf of foreign businessmen was not only based on relationships developed with customers after several years of doing business and with the intention of simplifying operations, but it also was based on two very special facts: the expectations of economic growth in Mexico and the gradual opening of the nation's borders, which was expedited by NAFTA. In turn, this facilitated foreign trade operations.

Nevertheless, this situation changed overnight as a result of the crisis in Mexico that brought about the peso's devaluation.

According to Mejia Triay, although more letters of credit are now being requested from banks than before, they are being issued in a very restrictive manner. Almost every customer's case is being scrutinized, because many companies are currently facing solvency problems and could go bankrupt at any time. Mejia Triay pointed out: "The product in itself is a passive liability for the bank. This situation results in carefully measuring the volume that will be handled monthly."

Up until the first six months of last year, Bancrecer financed an volume of about $40 million in letters of credit per month. This dwindled down at the end of the year to $20 million per month, and this year volume has fallen to a $2 million per month average. [passage omitted]

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

First Quarter Trade Balance Shows $88 Million Surplus

PA2304163095 Mexico City EL FINANCIERO in Spanish 21 Apr 95 p 20

[Report by Gerardo Flores]

[FBIS Translated Text] Mexico's trade balance registered an $88 million surplus during the first quarter of 1995 in comparison to a $4.298 billion deficit between January and March 1994.

The Secretariat of Finance and Public Credit [SHCP] reported that, based on initial figures, the trade balance registered a $383 million surplus in March 1995, compared to a $1.331 billion deficit in March 1994.

It added that exports totaled $18.172 billion during the first quarter of the year—a 31 percent increase over the same period last year. Meanwhile, imports totaled $18.084 billion between January and March, following the peso's devaluation and economic adjustment measures. This figure was virtually unchanged from the first quarter of 1994.

In March, exports totaled $6.645 billion—a 28.9 percent increase over last year—while imports reached $6.262 billion—a 3.4 percent drop in comparison to March 1994.

The SHCP noted that the significant growth in sales abroad stemmed from increases in petroleum as well as nonpetroleum exports.

In March 1995, manufactured goods exports totaled $5.289 billion and the maquila [assembly plant] industry registered an increase in activity and job creation. During the first three months of the year the maquila sector registered sales of $5.559 billion—a 15.1 percent increase over the first quarter of 1994.

In March, imports totaled $6.282 billion, registering a 3.4 percent drop from the same period a year earlier.

Imports of consumer goods were most affected by the devaluation and economic adjustment measures. The overall value of imports of intermediate goods was $14.248 billion during the first quarter, which was 8.9 percent higher than during the same period last year.

Meanwhile during the quarter, the value of capital goods imports reached $2.378 billion—21.8 percent less than during the same period in 1994.

Unions Say Government Privatizing Strategic Areas

PA2104225295 Mexico City REFORMA in Spanish 20 Apr 95 p 4A

[Article by Rosa Maria Mendez]

[FBIS Translated Text] Union leaders said yesterday that the federal government has already started the privatization of social security, petroleum, and electricity, and for this purpose, it has granted concessions in certain fields.

Guillermo Altamirano Conde, spokesman for the Union of Mexican Social Security Institute Workers [Sindicato de Trabajadores del Seguro Social], stated that they have not yet received specific indications on whether this public service will be privatized, but the statements made by Genaro Borrego Estrada, director of the IMSS [Mexican Social Security Institute] concern the workers.

Altamirano added that Borrego announced plans to grant concessions for specialized services to the private sector.

Juan Moises Calleja, secretary general of the IMSS union, said that the labor sector will reject any attempt to privatize the institution.

"The solidarity aspect of social security must not be lost, because poorer workers would have no access to a good security system," he pointed out.

Horacio Romo, external affairs secretary of the Mexican Trade Union of Electricians, said that the federal government accelerated the privatization of strategic areas in the past two years.

Among others, he pointed to the areas of electricity, petroleum, and social security.

"We do not advocate privatizing or nationalizing everything, but certain services that the private sector offers leave a lot to be desired," he commented.

Private Sector's Proposals to Modernize IMSS

PA2504193195 Mexico City EL FINANCIERO in Spanish 21 Apr 95 p 14

[Report by Herminio Rebollo Pinal from the "Business Table" column]

[FBIS Translated Text] Private sector analysts were really not required to brainstorm in order to figure out that if reform of the Mexican Social Security Institute [IMSS] is really intended, then it is crucial that three basic elements be addressed:

1) It should not be privatized.

2) The insured should be allowed to chose their own doctor, otherwise known as free eligibility tenet.

3) Prescriptions should be made available at any drugstore.

This, which in practice seems not only obvious but quite simple, will mean the total reform of the operation and payment system of the institute headed by Genaro Borrego Estrada.

In addition to what was mentioned initially, the reform is also going to affect many other interests.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

The elements mentioned previously are included in an official proposal presented by the private sector to the IMSS management in answer to a summons made by the institution aimed at improving its performance.

The mere fact that management and workers may be able to select their own clinics or physicians would foster competition; put an end to limitations and bureaucracy; and encourage the construction of more hospitals and clinics, which by responding to increasing market demand will gradually provide services to all income groups.

Reform would also benefit the insured, the doctors, the business sector, as well as the IMSS itself since the institution would be able to rid itself of a burden which it simply cannot, and should not continue to bear.

It is not a matter of privatizing (which in itself would constitute no great sin) but of optimizing those resources which today are being assigned for medical attention, but can no longer be wasted on such an enormous structure.

Regarding the supply of medicines by private drug stores, the true beneficiary would be the IMSS itself. The savings to the administrative apparatus would be impressive since it would mean cutting costs of items such as bids, inventories, purchases, transportation, storage, service to the public, and so forth.

In light of this, the private sector will be presenting a proposal before the National Chamber of the Pharmaceutical Industry concerning the renegotiation of the basic medication chart being handled by the IMSS. It will fix a price and based on it, will work with the nearly 20,000 drugstores throughout the country.

Even the IMSS' own assessment of the problem cannot be more crude and realistic, and that is why it does not leave too many options available. Major problems require major solutions.

Legislation Seeks Approval of Private Gas Investments

PA2304142695 Mexico City Radio ACIR Network in Spanish 0000 GMT 22 Apr 95

[Report by Alma Rosa Baez from the Energy, Mines, and Parastate Industry Secretariat Building in Mexico City; from the "Evening News Panorama" newscast—live relay]

[FBIS Translated Text] [Baez] At this very moment, Energy Secretary Ignacio Pichardo Pagaza is announcing that at noon today a draft bill to modify and add to current natural gas legislation was sent to Congress. He is saying that the idea is that gas-related activities, such as gas distribution and transportation, will no longer be [word indistinct] activity. Let's listen to him:

[Pichardo, in progress] ...only Mexican Petroleum and its subsidiaries, but other transportation activities using gas pipelines, storage, and distribution facilities, will be open to private investment, if the National Congress approves this proposal.

As you already know, for many years private firms have been distributing domestic gas in a great many homes throughout the country. Here we are referring to low pressure urban networks—there are very few of these in the country—to which private capital could have access in the event the Chamber of Deputies and the Senate so decide.

[Baez] We are listening to Mr. Ignacio Pichardo Pagaza's news conference. As we have heard, he said private capital will be permitted to be invested in areas such as gas. Nevertheless, he has stressed the Mexican Government continues to uphold the principle of sovereignty over the extraction of petroleum products and their ownership. This is what is happening at the Energy Secretariat.

National Bank Reports 35-Percent Reduction in Revenues

PA2604011195 Mexico City LA JORNADA in Spanish 24 Apr 95 pp 40, 42

[FBIS Translated Text] The National Bank of Mexico has reported a 35 percent reduction in its net revenues for the first quarter. In a brief and general press release, the Banamex-Accival Group has reported that total net revenues for the first three months of the year fell 35 percent compared to the same period last year. The corporation has stated the bank's net capital totaled approximately 10.9 percent of its debt portfolio as of last 31 March. The note states that the bank created reserve funds of 3.434 billion new pesos during the first quarter to be charged to the institution's financial statements. Total debt reserves as of 31 March were 8.882 billion new pesos, 24 percent higher than the minimum required by Finance Ministry authorities.

The Mexican Petroleum Enterprise has registered income totaling $1.189 billion for its exports during the first two months of the year. Pemex received $1.189 billion in foreign currency for its exports, which averaged 1.239 million barrels per day of crude oil, in three qualities: Isthmus, Maya, and Olmeca. This total is $281 million higher than the amount reported for the same period last year.

Unemployment Rate Reaches 'Historic' High Level

PA2004201995 Mexico City EL FINANCIERO (ANALYSIS Supplement) in Spanish 19 Apr 95 p 3A

[Article by Elvia Gutierrez]

[FBIS Translated Text] The published unemployment rate reached historic proportions of 5.3 percent in February 1995, indicating that in the first two months of the

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

year more than 3.6 million persons have been dismissed and have joined the underground economy.

The intensity of the underemployment brings about greater economic and social backwardness in the country by not taking advantage of the productive potential of the economically active population, whose last option is to take refuge in underground activities.

Research conducted by EL FINANCIERO's Economic Analysis Department, based on data from the National Institute of Statistics, Geography, and Information Science (INEGI), indicates that the underground economy has increased 10.9 percent in the last three years, while the capacity to generate new jobs within the formal sector shows a 2.6 percent change.

This has caused the relative weight of underground economic activities in the economically active population to increase significantly, because out of a total of 36.750 million persons who are economically active, approximately 21.5 million persons are active in the underground economic sector, while 15.250 million people are active in the formal sector.

The creation of new jobs is becoming increasingly tighter putting the labor market at a critical junction, most of all because of the saturation witnessed in the different underground economic activities, which are lacking in productivity and social security.

Underground activities gained prominence in the national economy as a result of the formal economic sector's inability to continue to create paying jobs, which has caused the underground economic sector to become the main receiver of unemployed persons.

In 1988, the official unemployment rate stood at an average 3.6 percent per year, one of the highest in the last decade. That indicator reached the same magnitude last year, but the unemployment social phenomenon acquired a more negative aspect during the first two months in 1995 when the unemployment rate reached 5.3 percent.

The above analysis warns us of the impossibility of the productive sector to absorb the labor force entering the labor market each year, in addition to the deficit caused by the number of persons that have been dismissed from their respective jobs.

Thus, in 1988, the economically active population was 22.066 million persons: 13.5 million in the formal sector and 8.5 percent in the underground sector.

These differences become evident when we compare what occurred in February 1995 when the economically active population was 36.750 million Mexicans. For the first time the number of persons involved in the underground economy, 21.507 million persons, was greater than the number registered in the formal economy, 15.243 million persons.

To understand the pressure exerted on the labor market one need only compare the dismissal of workers in 1988, with an unemployment rate of 3.6 percent, which was then 794,000 persons.

Last year the official unemployment rate was of the same magnitude, but more than 1.3 million people remained unemployed.

Thus, the size of the labor market causes more complications as a greater number of workers seeking renumerative jobs enter the labor market. Because of this, the unemployment rate in January of 4.5 percent, and in February of 5.3 percent resulted in 3.6 million persons remaining unemployed.

The historic level that characterizes the unemployment rate in the country makes immediate changes necessary to prevent social problems from arising in the short term as a result of the economic deterioration that families have suffered from thus far this year.

Roundup of Mexican Economic Developments

PA2504125395

[FBIS Editorial Report] The following is a compilation of reports on economic developments in Mexico monitored through 24 April.

According to the automobile industry associations, this industry has been one of the most affected sectors during the first quarter of this year. Production and sales have dropped by 50 percent for light vehicles, investments have dropped, and sales of automotive parts have dropped approximately $700 million. It is estimated that up to 55,000 workers will be unemployed by the end of 1995. (Mexico City EL FINANCIERO (ANALISIS Supplement) in Spanish 17 Apr 95 p 3A)

The Mexican Coffee Council has reported that due to the drop in international prices, the value of Mexican coffee exports has dropped 49 percent during the last five harvests, while only 103 exporters are active today out of 1,100 exporters registered in 1989. The council also reported that two plagues—the stalk borer and the coffee rust—damaged 393,000 hectares of crops, which resulted in losses estimated at $50 million. (Mexico City LA JORNADA in Spanish 17 Apr 95 p 43)

A report from Guanajuato datelined 18 April says that Spanish businessmen will build a new highway from Leon to Irapuato, in Guanajuato State, at a cost of $100 million. Governor Carlos Medina Plascencia pointed out the four-lane highway will be 49 km long and will have four toll stations. Construction is expected to begin in May. (Mexico City NOTIMEX in Spanish 1632 GMT 18 Apr 95)

The National Bank of Mexico, Bancomex, and the Bank of Commerce have reported a joint drop of 17.2 percent in credit card billing during the first three months of this year, compared to the same period in 1994. The volume of credit card billing in both banks dropped from 6.89

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

billion new pesos in 1994 to 5.70 billion new pesos in 1995. (Mexico City REFORMA in Spanish 18 Apr 95 p 18A)

According to Mexican Petroleum (Pemex), Mexican oil exports during the first quarter of 1995 dropped 6.4 percent compared to the same period last year: from 1.3389 million to 1.2531 million barrels per day. The value of oil exports from January to March 1995 amounted to $1.743 billion. (Mexico City REFORMA in Spanish 18 Apr 95 p 19A)

Within its financial program of $10.95 billion for 1995, Bancomex will devote 61 percent to the manufacturing sector, 18 percent to agricultural and agro-industrial sectors, 16 percent to mining and metallurgic industries, 3 percent to tourism, and 2 percent to the fishing sector. (Mexico City EL FINANCIERO in Spanish 18 Apr 95 p 16)

Steel distributors have reduced their sales between 40 and 50 percent this year, mainly due to the economic crisis and a 100 percent increase in product prices. Roberto Garza Quiroga, chairman of the Nuevo Leon Steel Distributors Association, said the current recession will probably result in the closure of certain companies, but no measures have been adopted so far. (Mexico City EL FINANCIERO in Spanish 18 Apr 95 p 15)

Alain de Metz, representative of the French company Saint Gobain in Mexico, Colombia, and Venezuela, has announced a $200 million investment in Mexico. The corporation will invest $50 million in the first phase of the project, which entails construction of a plant to manufacture automobile windshields in Ayala Municipality, Morelos State. (Mexico City EL FINANCIERO in Spanish 19 Apr 95 p 17)

Pemex has reported that 3 million tons of petrochemical products were manufactured during the first two months of 1995: 358,000 tons of ammonia, 220,000 tons of ethylene, 85,000 tons of high density and low density polyethylene, 90,000 tons of propylene, 53,000 tons of benzene, 50,000 tons of ethylene oxide, 51,000 tons of toluene, 49,000 tons of paraxylene, and 43,000 tons of acetaldehyde. Pemex also reported the manufacture of 35,000 tons of vinyl chloride, 32,000 tons of ethylbenzene, and 1.934 billion tons of assorted raw materials, including acrylonitrile, methanol, orthoxylene, and cumene. (Mexico City NOTIMEX in Spanish 0247 GMT 21 Apr 95)

Citizen Adviser Says PRI Undermining Electoral Reform

PA2304015795 Mexico City EL FINANCIERO in Spanish 20 Apr 95 p 46

[Report by Manuel Moreno Dominguez]

[FBIS Translated Text] The next political reform should include complete autonomy for the electoral institution, a drastic reduction in election costs, fair competition among the parties, and a thorough reorganization of electoral justice procedures.

The above was stated by Jose Agustin Ortiz Pinchetti, one of the citizen advisers to the Federal Electoral Institute[IFE] General Council, who, after meeting with Government Secretary Esteban Moctezuma Barragan, emphasized that the interests of the government's beneficiaries, which are only 130,000 families, have obstructed the advancement of democracy in the country.

He asserted that the obstacles are not erected by Mexico's political sector but by people who do not even venture into the political strife because they do not want to govern, only to secure their benefits.

The member of the IFE General Council also added that there are very powerful interests in the PRI [Institutional Revolutionary Party] and other groups and parties which are opposed to change because they want to keep the pyramid system, headed by the president of the Republic, which worked until 1968 "but no longer functions in 1995."

Ortiz Pinchetti also said it is absurd to think the PRI will automatically lose if democracy advances because it has the most roots in the country and the best staff. "They are the people with the greatest tradition in Mexico, and they have the know-how to do things."

The political reforms, Ortiz Pinchetti asserted, are, of course, going to stop them from having a monopoly on power, but it will not stop them from competing. Furthermore, although it has not been complied with, the code of the Mexican revolution is fully effective, "and it is the PRI's banner."

The citizen adviser updated Moctezuma Barragan on the work by the group of advisers to progress with widespread consultations for the reforms. Their actions will include forums as well as other, more effective types of consultations such as surveys among political and intellectual leaders.

Lastly, he emphasized that the reform is not so complicated and that if the political willingness exists, "we can easily advance."

He explained that to ensure the full autonomy of the electoral institution, the Legislative and Executive branches must withdraw from it and appoint an independent director with leadership qualities. To ensure fair competition, there must be equal television time, and electoral justice procedures have to be reorganized.

Article Assesses Electoral Reform Efforts

PA2304041895 Mexico City PROCESO in Spanish 17 Apr 95 pp 49,50

[Article by Jorge Alcocer V.]

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

[FBIS Translated Text] I ask myself if the talks among the political parties and the government secretary to arrive at what has been called "definite electoral reforms" will go slowly and with the zigzag steps suggested by statements by the interested parties. I think we are seeing a typical case of overacting, where each one believes that the more conditions he imposes and the louder his speech, the better the results. That means "yanking" from the government the advancements that each of the speakers outlines.

Under these conditions, there cannot nor will there be something worthwhile to be called "a national dialogue." Instead, we will have an abundance of flowery statements by the participants at the new table of Barcelona. A new table with some returning actors and others making their debut. For the PRD [Party of the Democratic Revolution], Porfirio Munoz Ledo and Ricardo Valera are returning—for the former, this will be his third reform; for the PAN [National Action Party], Carlos Castillo leads his delegation with Assistant Secretary General Humberto Aguilar, second in line; for the PRI [Institutional Revolutionary Party], Maria de los Angeles Moreno and Pedro Joaquin Coldwell are its defense; and for the PT [Workers Party of Mexico], Deputy Joaquin Vela leads the rookies in the major league.

On behalf of the Government-IFE [Federal Electoral Institute], there is Government Secretary Esteban Moctezuma and Under Secretary Luis F. Aguilar. What remains to be seen is if Moctezuma, who is also president of the General Council, will take advantage of the experience of Arturo Nunez, former IFE general director and current government under secretary. The immediate challenge for all actors in this new reform effort lies in agreeing to a conversation agenda, something not at all easy as it is predetermined by each party's particular assessment of the 21 August 1994 elections and by each of their expectations for the immediate course of political change and the federal elections in 1997 and 2000.

These assessments result in different agendas which are difficult to merge into one unless each party's expectations and the role the other actors must play in the dialogue process to reach agreements are adjusted. If, for example the PRD insists on putting all issues on one agenda, that is, demanding that the economic and social problems be discussed, then it will be impossible to make progress because it would be a far-fetched idea to try to get the government to submit its economic policies to the review of the political parties. There is also the additional risk that the already known PRD threats "to leave the table" would become a reality.

There are two proposals in favor of a consensus: the one made in October by five of the six councilmen of the IFE's General Council, and the 10-point agenda presented by the PAN as its project of issues to be discussed and resolved in the legislative and procedural changes, which would serve as a framework for the intermediate federal elections in 1997 and as the local elections that would take place here on that date.

As for the PRI, the worn out tactic seems to persist of waiting for adversaries' proposals to later make a private agreement with the government as to what is acceptable. The true problem is that the government does not appear to have a definite strategy for the contents, scope, and limitations of the new reform. This results in a rather passive attitude by its representatives on the table.

Disappointment or a never ending round of monologues to find a solution can be the outcome of a combination of mistaken attitudes and false efforts.

The accumulated assets of 15 years as well as a shared diagnosis as to what did not work or what is pending from the 1994 reforms would be an appropriate point of departure to close the cycle of electoral reform, project a new party system, and make the normal electoral process the only way to give legal and civilized direction to political differences to then form the governments. The worst way to close the cycle would be to believe that nothing was achieved in the past and to reject the very task itself with false arguments of "deceit" or "noncompliance with commitments."

The main issues of the new reform have been presented in various forms. There are four issues:

1. Autonomy of the IFE

2. Rights and obligations of the parties

3. The media

As for the IFE's autonomy, the problem lies in the participation of public powers, specifically that of the executive, whose representative is, by law, the secretary of government, who, also by law, chairs the General Council; and the representatives of the two chambers of Congress. I believe that as far as the parties and the councilmen go, any change should be done in terms of how the first problem is resolved.

There are many formulas, but the one that is adopted should maintain the principle that a predetermined majority with the ability to impose decisions on the others should not prevail. To maintain this principle and to make way for what Jorge Carpizo described in September 1994 as "the conclusion of the withdrawal of public powers from the electoral institution," I present a formula that meets the aforementioned condition as well as the principle of coresponsibility that the Mexican electoral legislation continue to be the central controller in decisionmaking on electoral issues.

My proposal is that the president of the IFE General Council be appointed by the Chamber of Deputies with a two-thirds majority, a proposal made by the president of the republic. The proposed candidate must meet similar requirements as those set for citizen advisers. With this, the principle of coresponsibility is preserved for the public powers by its participation in the electoral

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

institution, and more specifically in the definition of who chairs it. The proposal that one of the councilmen should chair seems to me rather unfortunate as it would generate an inappropriate relationship among them. The formula of a rotating presidency simply does not seem applicable in this case.

The Congress chambers would no longer be represented on the Council, but they would maintain their right to elect citizen advisers proposed by the parliamentary groups. An equal formula would be that each chamber appoint three of the six, each one acting every other time as a reviewer of the appointments made by the other chamber, so the Congress is coresponsible for these appointments. To continue with the political parties' coresponsibility in the preparation and development of the electoral process, I propose to bestow on the three parties with the most electoral power the right to vote with equal representation. The other parties would have one representative each with a voice but no vote. In this way, we would have a General Council comprised of 10 councilmen with voices and votes, of which six votes would correspond to the citizen advisers, three to the parties, and only one vote to the public powers.

The next step would be to renew the IFE's professional structure. With regard to the appointment of the general director and the executive directors, I believe the procedures and requirements already established in the Cofipe [Federal Code of Electoral Institutions and Procedures] are satisfactory. The real problem is to perform an objective evaluation of the professional personnel at all levels and to make the necessary changes. Unlike 1994, today the best ally in this task is time. Together with the foregoing, a debate should be held on electoral officials: I believe that in the organization of the electoral professional service, excess bureaucracy has taken over the institute, and they unjustifiably rely on permanent appointments. Specifically, I suggest that as the executive structure is set up in a connecting pyramid fashion, we could hope to organize a citizen electoral service made up entirely of citizen advisers and regular officials.

I know that these proposals do not necessarily coincide with the progress made by the parties and the councilmen. Specifically, the issue of who should chair the electoral institute produces diverse points of view. I am convinced that the public powers should continue with a clear coresponsibility in the electoral process, therefore I do not agree with the proposal to create the so-called "fourth electoral power." The IFE's autonomy, the main founder of the electoral authority, does not include the coresponsibility of the public power in its composition. The problem is how to draft a formula of participation that corresponds to the principle to protect and strengthen autonomy.

I also know that my proposal to return the right to vote to the three stronger parties will spark disagreements. This is the formula originally provided for in the 1986 reform; in its place the error was introduced which grants the PRI automatic majority in the CFE [Federal Electoral Commission]. If in 1994 it was possible to reach an agreement that removed the right to vote from the parties, it was, among other reasons, due to the fact that the three largest parties preserved the vote through their representation in the chambers, and this vote was in perfect balance (two PRI votes, one PAN vote, and one PRD vote). This pragmatic formula has been broken by the new integration in the chambers that grants the PAN the first minority in both chambers and therefore the right to representation, taking away the PRD's vote in the General Council. Having seen the 1994 electoral results and the structure of the new party system, it does not seem advisable that our third electoral force, with more than 17 percent of the total votes, be left out of coresponsibility in the paramount electoral institution.

IFE Establishes Maximum Contributions for Parties in 1995

PA2304213995 Mexico City EL FINANCIERO (ANALISIS Supplement) in Spanish 20 Apr 95 p 2A

[FBIS Translated Text] 19 April 1995

Official Notice

The Federal Electoral Institute, IFE, hereby announces a message from the technical secretary of the Advisory Commission of the IFE General Council referring to Article 49, Paragraph 6, of the Federal Code of Electoral Institutions and Procedures, setting the maximum amount of contributions political parties may receive from individuals, corporations, and unidentified sources in 1995.

The message states that each individual may contribute up to 1,716,742.26 new pesos.

Each corporation may contribute up to 8,583,711.33 new pesos.

Unidentified sources, as a whole, may contribute up to a total of 17,167,422.66 new pesos.

Interlocutors Depart Following Conclusion of Chiapas Talks

PA2504163495 Mexico City NOTIMEX in Spanish 1642 GMT 24 Apr 95

[FBIS Translated Text] San Andres Larrainzar, 24 Apr (NOTIMEX)—Members of the Zapatist National Liberation Army [EZLN] delegation that participated in a dialogue with the government this past weekend today returned to their places of origin with specific proposals in hand. The eight representatives of the armed group left this town, which hosted the meeting, at 0300 (0900 GMT), accompanied by members of National Mediation Commission [Conai] and the International Red Cross. Members of the armed group began leaving to return to their homes once the first round of formal negotiations with delegates of President Ernesto Zedillo concluded. The two sides decided to meet again on 12 May. This

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

interval will allow EZLN delegates to consult on the proposals for detente presented by the government delegation.

Representatives of the nongovernment organizations who formed part of one of the so-called "security cordons" set up around the negotiations site also left once the armed group had departed. Also leaving were members of the Red Cross and Military Police units, who also protected the site of the meeting that began last Saturday, after a delay of more than 48 hours because of logistical problems.

Meanwhile, government delegates headed by Marco Antonio Bernal Gutierrez left for Mexico City at the conclusion of their meeting with the EZLN. Prior to their departure, the government delegation denied that its proposal calls for the surrender of the EZLN and affirmed that it forms part of a process for peace in the state.

Javier Zenteno, director general of the Legal Office of the Government Secretariat [director general juridico de la Secretaria de Gobernacion] and member of the government delegation, explained that the purpose of the official proposal is to achieve detente and continue the working agenda. He said that Conai's status would be decided at the forthcoming meeting so that it may act as either a "reviewing" or as a "mediating" entity within the framework of the pacification process in Chiapas. This would respond to the eighth point of the EZLN's detente proposal which states that Conai must form part of a verification mechanism that would verify EZLN compliance with its offers. According to the official, the Zapatists must decide whether Conai, whose president is Bishop Samuel Ruiz, will act as a verification or as a mediation entity.

Zenteno said work is going on within the framework of the dialogue and the negotiations and there is no split. He said that detente proposals were presented at San Andres Lorrainzar. The EZLN has asked for a reasonable amount of time to consult with its rank and file to draft an answer to the government proposals. The government delegate said the government's offer is "of an integral nature" because it covers various points of view and discusses economic, social, and cultural matters. The idea is to bring peace to Chiapas to be able to conciliate the interests of the various groups and build progress and development for everybody, the government delegate said.

Army, EZLN, Government Commitments Outlined

PA2504201095 Mexico City EL FINANCIERO in Spanish 24 Apr 95 p 74

[Report by Amalia Avendano, Gabriela Coutino, and Miguel Badillo]

[FBIS Translated Text]

Proposals and Commitments

The Mexican Army

Detente in Chiapas requires an overall and progressive plan that will be reciprocal and proportional in nature and geared toward social, political, and military issues, first in the so-called area of conflict and second across the entire territory of Chiapas.

Detente in Chiapas began the moment the federal government unilaterally decided to order the cease-fire in January 1994. The second greatest event in the detente process took place on 11 March 1995 when the Law on Dialogue, Conciliation, and Dignified Peace in Chiapas went into effect and when the following activities were carried out:

—Federal Army troops were positioned outside the communities.

—Control posts were withdrawn from the area of conflict.

—Patrol and reconnaissance activities in the area of conflict were suspended.

—Return of people dislodged and removed as a result of the conflict was guaranteed and eased.

—Proceedings and investigations were suspended, and arrest warrants were rescheduled.

—Measures aiding and supporting the dislodged and/or removed population were implemented.

These measures allowed the National Commission for Human Rights [CNDH] and other organizations to more effectively carry out their duties in the area of conflict beginning on that date.

The EZLN's [Zapatist National Liberation Army] approval of the law is also a very significant element in the detente.

The beginning of this dialogue and negotiations for a Peace with Justice and Dignity Agreement is the most recent contribution made by the parties to detente.

Now it is time to reach consensus on specific detente measures on social, political, and military matters in Chiapas, measures that will lead to peace and harmony in Chiapas society, the EZLN's conversion into a legal organization, and a National Army presence typical of an atmosphere of peace and social compromise.

To this end, the parties are committed to the following:

The EZLN will gather its so-called "insurgents" in three locations to be chosen by the parties. In turn, the federal government will guarantee the personal safety of these delegations and will provide them with the required lodging, food, health, and hygienic services. It will substantially reduce its presence in the corresponding areas.

1. First gathering place: Los Altos

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

2. Second gathering place: the plateau

3. Third gathering place: the jungle

The EZLN

The EZLN is committed to take the following detente measures as a token of its political resolve and in order not to interfere in or hinder the dialogue and negotiation for an agreement on peace and harmony with justice and dignity.

1. The EZLN military units pledge to maintain their mountain positions during the whole time that talks and negotiations last or until the parties agree on new measures.

2. The EZLN pledges not to carry out any military advances or take military control of the positions abandoned by the Federal Army.

3. The EZLN pledges not to take military control of territories adjacent to their mountain positions and not to set up roadblocks, checkpoints, or any obstacle to hinder free movement.

4. The EZLN pledges not to set up garrisons in the communities or surrounding areas.

5. The EZLN pledges not to send armed personnel to the communities.

6. The EZLN pledges to respect the lives, freedom, and goods of the dislodged people who return to their communities and to urge civilians in the area to live a peaceful and fraternal life.

7. The EZLN pledges to respect and carry out the recommendations of a joint commission made up of the CNDH and nongovernment human rights organizations. This joint commission will be in charge of overseeing respect for the human rights of those civilians who belong to the many political, social, and religious organizations.

8. The EZLN pledges to respect and carry out the recommendations of a surveillance commission made up of Conai [National Mediation Commission] and civilian representatives, a commission responsible for guaranteeing that the EZLN armed forces honors its commitments.

9. The EZLN pledges to cease military operations for as long as the talks and negotiations last or until the parties agree on new conditions.

10. The EZLN pledges to implement these measures beginning on the agreed-upon date.

Federal, State, and Municipal Governments

The federal, state, and municipal governments have committed themselves to implementing the following military detente measures as a token of political resolve and not to interfere in or hinder the talks and negotiations for an Agreement on Harmony and Peace With Justice and Dignity.

1. The federal, state, and municipal governments pledge to relocate their armed and police forces to the positions held as of 8 February 1995.

2. The federal, state, and municipal governments pledge not to conduct offensive military or police operations while the talks and negotiations continue.

3. The federal, state, and municipal governments pledge to guarantee and support the free movement of civilians and EZLN delegates while the talks and negotiations continue.

4. The federal, state, and municipal governments pledge to respect the lives, freedom, and goods of civilians who sympathize with the EZLN and to urge civilians living in the area to live peaceful and fraternal lives.

5. The federal, state, and municipal governments pledge to respect and implement the recommendations of a joint commission made up of the CNDH and nongovernment human rights organizations. This joint commission will be in charge of overseeing respect for the human rights of those civilians who belong to the many political, social, and religious organizations.

6. The federal, state, and municipal governments pledge to respect and carry out the recommendations made by a surveillance commission made up of Conai and civilian representatives, a commission responsible for guaranteeing that the armed and police forces of the federal, state, and municipal governments honor their commitments.

7. The federal, state, and municipal government pledge to cease military operations for as long as the talks and negotiations last or until the parties agree on new conditions.

8. The federal, state, and municipal governments pledge to implement these measures beginning on the agreed-upon date.

Government Secretariat Dismisses EZLN's 10-Point Proposal

PA2504223095 Mexico City EL FINANCIERO in Spanish 24 Apr 95 p 74

[FBIS Translated Text] San Cristobal de las Casas, Chiapas, 23 April—Tonight, the Government Secretariat dismissed the 10-point detente proposal the Zapatist National Liberation Army (EZLN) presented during two days of negotiations in San Andres Larrainzar.

In response to an EZLN communique issued today, in which the group criticized the government's proposals and denounced the government's "mocking" it, Francisco Javier Zenteno, a member of the negotiating team,

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

said that the federal government's proposal does not call for the EZLN's surrender but that this process "is a progressive one, not a surrender."

What the government is proposing, he said, is a series of steps in order to reach a detente and to correct the points. "No break has ever occurred; such circumstances do not exist."

The Government Secretariat communique affirmed that point one, in which the EZLN offers to keep its positions in the mountains, "does not allow us to advance regarding detente." According to the communique, this point in itself leads to the contents of points two to five as well as eight and nine, where the rebels pledged not to undertake any military action.

"The EZLN asked us to agree on commitments and actions the federal government is already undertaking out of conviction, by mandate of the Law for Dialogue, Conciliation, and Dignified Peace in Chiapas, and the situation in the area of conflict," the official communique stated.

In the 23 April meeting, it was explained that Conai [National Mediation Commission] cannot verify compliance with the accords and mediate at the same time; therefore, the EZLN should decide what role Conai should play.

Government Says Dialogue With EZLN Not Interrupted

PA2504231095 Mexico City NOTIMEX in Spanish 2006 GMT 25 Apr 95

[FBIS Translated Text] Mexico City, 25 Apr (NOTIMEX)—The Mexican Government values the results achieved in the negotiation agenda with the armed group operating in Chiapas State and reiterates its willingness to progress with respect, seriousness, and truth in the construction of peace.

In a communique, the Government Secretariat has stated that the dialogue held last weekend in the southeastern state of Chiapas has not been interrupted and that a recess has been called at the request of one of the parties.

The communique has stated that various, and even antagonistic, proposals are part of any negotiation process and that agreements are reached through them, through a dialogue.

The Government Secretariat has stated there is no reciprocity or balance between the government's proposal and the requests made by the Zapatist National Liberation Army (EZLN), which rose up in arms in the state on 1 January 1994.

The appeals made by the EZLN "have more political-propaganda objectives than a desire to contribute to a detente," the federal government has stated.

The EZLN has demanded commitments and actions, which the government is already carrying out by conviction and law. In exchange, the armed group has offered to remain in its current "positions in the mountains."

The communique has stated that in the dialogue, which is on a recess until 12 May, the government has presented an integral detente proposal which guarantees continuity in the peace process and which must be accompanied by a program and a timetable.

Both parties agreed on 9 April to designate the town of San Andres Larrainzar as the permanent site of the talks and to initiate the talks on 20 April with the discussion of reciprocal measures to achieve a detente. They have also agreed to continue the talks until a positive outcome has been achieved.

The communique has stated the presence of peasants and Indians at the site of the talks in numbers higher than the local population has altered the atmosphere of detente necessary for the dialogue. This is a violation of the principles of good faith and mutual respect as agreed in the San Miguel Joint Declaration.

The communique has stated the problem is not the number of participants but, rather, the violation of an agreement that was freely reached; therefore the government's delegation has expressed its concern and has demanded the fulfillment of the agreements reached in the San Miguel Joint Declaration.

Once the fulfillment of the original agreements had been achieved, the dialogue began on 22 April, two days after the date agreed upon in the beginning.

Both sides had the opportunity during the negotiations to exchange their viewpoints regarding the measures of detente and rules of procedure that should be implemented in order to progress in achieving peace in Chiapas.

In the dialogue, the EZLN has presented a proposal to the government calling for various actions and has called for the withdrawal of the Mexican Army to the positions it maintained before 8 February.

After learning of the proposals made by both delegations, the EZLN asked for a 19-day period to consult with the members of its rank and file in the local communities.

Government Secretariat, Chiapas Governor on Peace Talks

PA2504153995 Mexico City XEW Television Network in Spanish 0430 GMT 25 Apr 95

[From the "24 Hours" newscast]

[FBIS Translated Text] The Chiapas talks ended yesterday. The Government Secretariat issued a communique tonight that reads in part: The organized transfer of contingents of peasants and Indians to the dialogue venue on 19 April in far higher numbers than the actual

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

number of local residents fundmentally altered the atmosphere of detente that is essential for the dialogue process, thus contravening the principles of good faith and mutual respect signed in the San Miguel Joint Declaration. The problem was not the number of attendees, but the violation of a pact that had been freely agreed upon, the Government Secretariat says.

It adds that the dialogue has not been broken off, but has gone into recess at the request of one of the parties.

The communique ends by stating: The Federal Government values the results achieved so far in the agenda of negotiations with the EZLN [Zapatist National Liberation Army] and reiterates its resolve to advance with respect, seriousness, and truth in building a fair, dignified, and definitive peace for Chiapas.

Meanwhile, the Chiapas governor spoke in Mexico City this afternoon on prospects for peace in his state. After meeting with 300 delegates from world trade centers [preceding three words in English] in 90 cities the world over, Mr. Julio Cesar Ruiz Ferro, governor of Chiapas, said that peace has already come to that state. He said there is willingness by both the government and the rebels to reach agreement.

[Begin Ruiz Ferro recording] There is confidence that solutions are close at hand. [end recording]

He said that the government has the resolve to find a peaceful solution in the short term, because those involved in the conflict know very well that they do not have support for a violent solution.

Governor Ruiz Ferro told foreign investors that Chiapas has 111 municipalities and that the conflict is occurring in only five of these. He admitted that the religious factor has influenced the conflict and said that civilian and religious leaders have consolidated a culture of intolerance in Chiapas.

[Begin Ruiz Ferro recording] The religious problem in Chiapas requires greater thought and understanding. The religious quarrel will be resolved once politics are removed. And when conditions are set for greater pluralism. [end recording]

He pointed out that no armed clashes have occurred since January 1994. He gave assurances that life goes on normally in practically the entire state.

[Begin Ruiz Ferro recording] A paper war of various intensities is taking place. [end recording]

Governor Ruiz Ferro called on foreign investors to invest in Chiapas.

[Begin Ruiz Ferro recording] Capital betting on the future of Chiapas is welcome; this will be a safe investment. [end recording]

Mr. Juan Diego Gutierrez Cortina, president of World Trade Center Mexico, was present at the annual spring meeting of world trade centers.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

El Salvador

President Criticizes Threats by Black Shadow Organization

PA2504120995 San Salvador LA PRENSA GRAFICA in Spanish 22 Apr 95 p 6

[FBIS Translated Text] Yesterday, Salvadoran President Armando Calderon Sol criticized threats by the clandestine organization "The Black Shadow [La Sombra Negra]," which announced a few days ago the beginning of activities in San Salvador. In addition, other government officials have considered the establishment of the death penalty to stop any private attempt at combating crime.

Calderon said that the government will not tolerate the administration of justice by private individuals or organizations, "whoever or whichever they are," and that investigations will be conducted to arrest and try the members of this organization. "We believe that violence creates more violence and that such a situation disrupts juridical order," he said.

The organization started activities in San Miguel on 29 December last year. It had announced it would carry out actions against criminals in Santa Ana this week. They killed one person on 18 April.

The self-styled "Black Shadow Anticrime Command" was to reportedly start operating as of yesterday in San Salvador and Santa Tecla, two places where the crime rate is high.

Chief of Staff Jaime Guzman has said people should not take justice into their own hands although the crime rate is high but should cooperate with and trust the police although it takes time for this body to consolidate. "You cannot fight crime with crime," he has said.

San Salvador Mayor Mario Valiente believes, however, that legal measures, such as establishing the death penalty, would preclude the emergence of clandestine groups such as the "Black Shadow." He added: "It is worrisome that efforts to keep crime in check lead to the creation of organizations such as this one, the members of which want to take justice into their own hands." He added the proposal presented by Arena [Nationalist Republican Alliance] during the 1989-92 legislature is still valid, because the government "has acted weakly against criminals" and "it is necessary to administer justice." This is the only way to keep people organized in groups such as this one from taking justice into their own hands, he added.

Valiente added that the emergence of clandestine groups such as this one is the result of organized society's inability to control crime. Efforts to keep crime in check have been insufficient. "There is a new police, and judicial reforms have been made," but these reforms apparently protect criminals more than their victims, concluded.

Guatemala

Government Denies Congress Left Out of Negotiations

PA2504163395 Guatemala City Televisiete Television in Spanish 1900 GMT 21 Apr 95

[From "Channel 7 News"]

[FBIS Translated Text] Congress has complained of being left out of the negotiation process between the government and the URNG [Guatemalan National Revolutionary Unity]. This issue was addressed by Hector Rosada Granados, coordinator of the Guatemalan Government's Peace Commission, who denied it.

[Begin Rosada recording] One of the main objectives of this negotiation has been to maintain very clear, direct, and honest communications with the branches of state. Unfortunately, however, due to time constraints we have been unable to intensify our relations with the judicial branch, which is currently presided over by a special and respected friend of mine. However, we have maintained close relations with the Legislative Branch.

Therefore, my answer to the complaints is based on the respect that I have for the Legislative Branch and particularly for Dr. Pablo Duarte, president of the Legislative Commission for Peace Studies. I would like to have a conversation with him to address the scope of the statements that have been made.

First of all, I must point out that the Executive Branch is completely respectful of the Legislative Branch's jurisdiction; that has already been proven.

Second, concerning its respect for the legislative branch's jurisdiction, the Peace Commission is aware—I have repeated this endlessly—that what we agreed to, at the negotiations table, was a political pledge to promote. This promotion, which is a constitutional right, ends where the Congress' jurisdiction begins, with the approval or rejection of a bill.

In this case, any action the Peace Commission may take at the negotiations will be limited by Congress' decision. We may agree with certain constitutional or legal reforms, but Congress' decision will prevail because two-thirds of its deputies must vote for or abstain from voting on a given bill. [end recording]

Rosada said it is incorrect to say that Congress approves peace agreements. Its duties are limited to approving agreements previously signed by the guerrilla command and the government.

Ombudsman on De Leon's Bill To Create Secretariat

PA2604001295 Guatemala City LA REPUBLICA in Spanish 23 Apr 95 p 6

[Report by Ramon Hernandez S.]

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

[FBIS Translated Text] On 22 April, Human Rights Ombudsman Jorge Mario Garcia Laguardia expressed his "deepest concern" over the draft bill President Ramiro De Leon Carpio has sent to Congress to create a State Intelligence Secretariat and a National Security Council at a time when "secret" security organizations still exist.

Garcia Laguardia said it is worrying, because one of the most serious problems of the authoritarian regime that ruled Guatemala for so many years "was the existence of secret security groups that were overbearing on citizens."

Jorge Mario Garcia Laguardia said it is no secret and everyone knows "there is a file on everyone. We all have an illegal file, in many cases false, a file from which we are unable to defend ourselves."

The ombudsman recalled that the "famous" file, as is was known, the G-2, and other organizations such as the Committee for Defense Against Communism, which was formed in 1954, were completely illegal, because they were intended to check citizens' activities, social activities, with a police-like and repressive sense."

He added it was nice for everyone to learn that the file had disappeared, and certain groups, such as "the Mutual Support Group, requested of me that documents from that file be transferred under the custody of the Attorney General's Office."

Nevertheless, Jorge Mario Garcia Laguardia said, in view of the responsibility of this request, I addressed President Ramiro De Leon Carpio requesting information on the whereabouts of this file. "The reply was so forceful that the organization had disappeared. [no closing quotation mark as published]

According to the reply from former Human Rights Ombudsman Ramiro De Leon Carpio, Garcia Laguardia said, "it seemed these organizations of police control, which are secret, illegal, and a violation of Guatemalans' basic rights, had disappeared, but this was not so."

"The idea now is to create a new organization to replace the ill-remembered institution in Guatemala, because all Guatemalans, including the human rights ombudsman, have suffered its consequences," Garcia Laguardia said.

Ombudsman Jorge Mario Garcia Laguardia said he believes "we should defend ourselves from this attack, which goes against the liberty of all us who live here have."

According to the draft bill, the State Intelligence Secretariat will be an autonomous body within the executive that will act according to a specific law.

The goal of the State Intelligence Secretariat is to furnish the administration of the Republic of Guatemala with the required intelligence that will prevent or counter any action or event that would affect the country's security or development.

Various opposition groups fear this intelligence organization will "repress;" thus, it is strange that the draft bill was made by the former human rights ombudsman; that is, President Ramiro De Leon Carpio. Thus, these groups hope Congress will not approve the bill without a previous in-depth study.

Commission President on Tariff Consolidation

PA2604043895 Guatemala City PRENSA LIBRE in Spanish 22 Apr 95 p 55

[FBIS Translated Text] The recent government provision to consolidate tariffs at a 10 percent rate contradicts regional provisions such as the General Treaty of Central American Economic Integration and the Agreement on Central American Tariff and Customs Systems, Guillermo Alonso Argueta, president of the private sector's Central American Integration Commission, has said.

Indeed, as expressed in due time by the SIECA [Secretariat of Central American Economic Integration], the common external tariff is one of the foundations of the process of regional integration and trade with Central America, and unilaterally modifying it, as was done with this provision, means breaking away from the plan, he has said.

According to Alonso, the government has stated that Directive 161-95 is based on the authority granted by Article 26 of the Central American Tariff and Customs Agreement to countries so they can unilaterally modify tariff rates, a safeguard clause.

However, he has said, *it should be noted that this article clearly states the causes under which the safeguard clause may be applied. Under the present case, the reasons presented by the government of facilitating international trade and preventing fraud and contraband at the customhouses are not similar to any of the causes.*

Alonso has said the Tariff Agreement, approved by the state of Guatemala, includes the commitment of signatory states not to collect tariffs other than those appearing in the Central American Import Tariff.

We see how international treaties and agreements are flagrantly violated against the internationally recognized juridical principles that pacts must have the total compliance of the state, he said.

Meanwhile, Alonso has said that by lowering the tariff for finished goods, a massive importation to other countries of the region, principally Honduras and El Salvador, will be generated, because they will be able to obtain finished goods with a lower tariff through Guatemala.

Considering the extension of the border with both countries and the lack of controls, we will see an increase in the short-term in the contraband of goods among countries of the region, which shatters the government's assertion that this measure is aimed at fighting customs corruption.

The tariff unification must be repealed. Guatemala must preserve the image before the eyes of the international community of a state the fully observes and respects contracted international commitments, Guillermo Alonso concluded.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Nicaragua

Colombia Accuses Country of Supplying Weapons to Rebels

PA2604035695 Managua LA PRENSA in Spanish 24 Apr 95 p 2

[Report by Roberto Orozco B.]

[FBIS Translated Text] The Colombian security forces have again accused Nicaragua of supplying weapons to Colombian guerrillas after the Colombian police seized a shipment of rifles, clips, and cartridges from six individuals today during an operation in the Port of Turbo, 450 km northwest of Santa Fe de Bogota.

The shipment of weapons, containing 16 rifles, 32 clips, and 600 cartridges, was found in a vessel under the Panamanian flag that arrived at the Antioquia Department Port on Colombia's Atlantic coast. The authorities said, however, the shipment came directly from Nicaragua.

The vessel sailed on 21 April out of the Panamanian Port of Colon, where Panama's Judicial Technical Police had previously detected two shipments of rifles and explosives that were destined for the Colombian Guerrilla Coordinating Board.

Dr. Ernesto Salmeron, Nicaragua's ambassador to Colombia, told LA PRENSA that Colombian authorities have yet to officially inform him of this new confiscation and the arrest of the six individuals, whose nationality is still unknown.

Salmeron said: "I will wait today to find out the official information that will result from the investigations."

A REUTER news dispatch reported, quoting a police source, that "the operation was carried out thanks to coordinated intelligence work by Colombia and Panama."

According to Colombian authorities, clandestine organizations have been supplying weapons to rebel groups in Colombia since the demobilization of guerrillas in Nicaragua and El Salvador.

More than two years ago, the Colombian police reported an increase in the smuggling of weapons from Central America to drug-trafficking groups and guerrillas in Colombia.

Panama

Organized Workers Reject Labor Code Reforms

PA2504214695 Panama City LA PRENSA in Spanish 23 Apr 95 p 1A

[Report by Jose Quintero de Leon]

[FBIS Translated Text] Shouting "No to reforms; general strike!" the leaders of 26 labor unions who met in Santiago, Veraguas Province yesterday agreed to take all necessary actions, including a general strike, to reject the proposed Labor Code reforms.

The unions met early today under the leadership of the Single National Union of Construction and Related Workers [Suntracs] and the Union of Chiriqui Land Company Workers [Sitrachilco], membership in which totals more than 70,000.

Suntracs Secretary General Genaro Lopez said that the final decision to declare a general strike will be made by the union leaders after consulting with the rank and file in a general assembly to be held by each union. Nevertheless, Lopez said that the rejection of the labor reforms by the rank and file is evident.

During the union leaders meeting, it was agreed to invite Minister of the Presidency Raul Arango and Labor Minister Mitchell Doens to a workers meeting to be held at 0900 on 27 April at the Europa Hotel to listen to the labor movement's position.

In addition, Panama Archbishop Jose Dimas Cedeno will be asked to arrange a meeting with the Panama Episcopal Conference so the conference can be briefed on the nefarious consequences of the labor reforms being pushed by the government of President Ernesto Perez Balladares.

The workers expect the Archbishop to afford them the same treatment given to the labor minister when the latter addressed a bishops meeting.

Jose Morris Quintero, general secretary of Sitrachilco, Puerto Armuelles Chapter, has reported that a Meeting of Labor Union Leaders will be held on 6 May to report on the movement's position against the reforms. Morris said that the unions also reject the actions taken by Conato [National Council of Organized Workers] leaders who participated in the Labor Foundation debates, because, he said, the unions believe the Conato leaders do not have the necessary authority to represent the unions or to recommend reforms that have not been previously consulted.

The Suntracs and Sitrachilco leaders also agreed to march to protest the government reforms at 1600 local on 11 May. The march would start at Plaza Porras and end at the Legislative Assembly, where they intend to show the lawmakers that they will not permit the seventh amendment of the Labor Code.

Lopez said that the workers' firm position was consolidated after listening to Perez Balladares' statements in David, where he said that the time when the Labor Code was the workers' protector had passed and that he would have his say on the reforms.

Lopez said: "This means that the reforms will harm the workers and will strip them of their rights. This is inferred from the proposal that the labor minister prepared and which was studied by 14 labor unions."

Lopez added that Minister Doens' proposal is unconstitutional because it goes against the workers, unions, collective conventions, and every salaried worker in Panama. He said he is aware, as every Panamanian present at the meeting is, that the labor reforms are part of a "package" of the government program proposed by the international financial institutions and that, if Perez Balladares insists on imposing them, he will have to face the political and social consequences.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Participating unexpectedly in the meeting was Camilo Ortega, general Indian chieftain of Veraguas Province, who reported the repression they suffered when they resisted the mining exploration in Veraguas. He underlined the lack of official interest in delimiting the Ngobe-Buggle region.

Ortega pledged his people's support for the workers' struggle against the labor reforms in exchange for the labor movement's solidarity support for the Indians' efforts for their region.

He reminded the labor leaders that a large number of Sitrachilco workers in Bocas del Toro and Chiriqui are of the Ngobe-Buggle race and that from now on the poor, the workers, the Indians, and the peasants must band together to resist the labor, educational, and ecological reforms that will affect everyone.

The day before yesterday, Archbishop Cedeno was upset by the leaders' rejection of reforms. He does not share their views and said that the best way is the exchange of opinions to reconcile points of view with the advocates of the reforms. He did not explain, however, how to reconcile irreconcilable positions.

In addition, Eduardo Vallarino and Aniano Pinzon, associate presidents of the Labor Foundation, said that the labor minister's proposal has not been considered in the foundation's meetings because employers and workers have reached a consensus on aspects that concern both sides.

Construction Sector Sees Decline in Growth Rate

PA2604042095 Panama City ACAN in Spanish 1851 GMT 23 Mar 95

[FBIS Translated Text] Panama City, 23 Apr (ACAN-EFE)—The construction sector in Panama, which has invested almost $1 billion during the past five years and has generated more jobs than any other activity, is starting to experience a decline in its growth rate.

Eduardo Rodriguez, general director of the Panamanian Construction Board (Capac), has admitted to ACAN-EFE that the sector, which employs approximately 30,000 workers, cannot "continue growing indefinitely." Investments in this sector grew 7.22 percent, however, during the first three months of the current year.

This percentage is far from the 39.37 percent increase in investments, totaling $281.5 million, in 1994, and the $284.4 million in 1993, according to official Capac data.

Rodriguez has said 30 percent of the total amount invested since 1990 was used to build housing for the high income sector. This trend, he has said, is starting to change in favor of housing for the middle and low income sectors, for which there is great demand.

Despite the $961 million invested in this sector during the past five years, government sources admit there is a deficit of 300,000 housing units in the entire country, particularly in the rural areas. Panamanian human rights organizations have already criticized this situation.

A UN human rights commission visited Panama last week to verify a complaint based on the "serious" housing deficit problem experienced by Panamanians. The problem was presented two years ago and still has not been resolved.

A Legislative Branch source has told ACAN-EFE that this commission, which included four people and was headed by Philliphe Dxier, met with Panamanian legislators to study ways in which the United Nations could contribute to finding a solution to this problem.

Dxier, who said the charge against Panama had been presented by a nongovernment organization two years ago, said the lack of low income housing is a "concrete reality."

The deputies, who confirmed the problem is a serious one, estimated there is a deficit of approximately 300,000 housing units for people in the low income sector. Those people are forced to move away from the capital city at an increasing rate due to the high prices paid for housing in Panama City.

In the past years, the urban profile of Panama City has changed and turned into a "seedbed" of large buildings. The advertisements to attract buyers are offering the "most luxurious apartments" in Central America, in buildings of up to 50 floors.

Several sectors of society have linked the construction sector's driving force to the "laundering of ill-gotten money." This accusation has been categorically denied by businessmen who have even asked the Attorney General's Office to investigate the source of the capitals used.

In this regard, Rodriguez has told ACAN-EFE "it is not true" that the sector has used "dirty money," and he has recalled that the sector is favored with important tariff exemptions; that is, one dollar out of every four invested in the purchase of materials.

Regarding the fall of the dollar, the Capac official said this fall does not affect Panama, because the construction industry uses local raw materials, and the purchase of supplies and equipment such as elevators, steel, and tiles is made in Korea, Cuba, Germany, the United States, Spain, and Italy, primarily.

The construction industry is one of the most hazardous and ranks fifth in accidents, Rodriguez has said, adding an average of 11 people die due to construction related accidents every year.

He has denied that buildings in Panama do not meet antiearthquake standards, because, in his opinion, "no one would dare play around with the structural building norms, because a builder whose structure collapses will never get another contract."

The construction work force, which has a strong influence in the country, has threatened with a general strike if the government insists on reforming the labor law, which Panamanian President Ernesto Perez Balladares himself considers is a law that has already "kept its protectionist mission."

The Construction Workers Union and the banana sector's Union of Chiriqui Land Company Workers have threatened to strike if the labor law, valid in Panama since 1972, is reformed.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Argentina

Menem: Charges of Atrocities in 'Dirty War' To Be Probed

PY2604025295 Buenos Aires TELAM in Spanish 2120 GMT 25 Apr 95

[FBIS Translated Text] Olavarria, 25 Apr (TELAM)—President Carlos Menem today stated that a probe must be conducted into charges made by a former noncommissioned officer with regard to crimes perpetrated by the Army during the illegal repression [against terrorism in the 1970's, during the so-called dirty war].

During a news conference in the city of Olavarria, Menem commented on the remarks made by former Sergeant Victor Ibanez, saying: "These are very serious charges that must be investigated."

Menem stated: "What we intend to do is to delve into this issue in an appropriate way."

Likewise, the head of state reiterated that the government does not have any additional information about the registers recording disappearances other than the one disclosed by the Conadep [National Commission on the Disappearance of Persons] and material recently released by the Interior Ministry through a complementary list of missing persons.

Moreover, Menem requested that his audience bear in mind his personal circumstances between 1976 and 1978, when the military regime persecuted him and took him and important Peronist leaders into custody. The president said: "Just in case, I would like to remind you that at that time I was in jail."

Ibanez claimed that in those years he had participated in flights during which persons who had been illegally detained in Army barracks in Campo de Mayo were thrown into the sea.

Radio America also sought PJ [Justicialist Party] vice presidential candidate Carlos Ruckauf's opinion about this issue today. He questioned "the repentance of those persons who were able to commit such atrocities."

Cavallo Wants 'Immediate' Patents Law Implementation

PY2604030795 Buenos Aires CLARIN in Spanish 25 Apr 95 p 12

[FBIS Translated Text] Suddenly, and out of context, [Economy Minister Domingo] Cavallo yesterday again brought to the fore the issue of a patents law. It was before an audience that was expecting to hear a speech centered on the automobile industry. Cavallo, however, said that he preferred to use that forum to speak about a "highly politicized" issue. He said that the recognition of intellectual property rights, and the payment of royalties, must be implemented immediately.

No one could explain why Cavallo had started this new debate. The bill was so controversial that the government preferred to defer its political impact for after the election. This is why the administration preferred to veto all articles that contradicted Cavallo's opinion, and U.S. and EU positions, and return the bill to Congress, on the assumption that renewed discussion of the bill would be possible only after the electoral campaign.

Cavallo did not hesitate to explain his position, but without giving any indication as to the reasons for such urgency. He emphasized the need for a patents law and its immediate implementation after promulgation.

Arguments

Among other things, Cavallo said the following:

—Argentina must respect intellectual property rights and give protection to the original discoverer. But this protection must be implemented immediately;

—Only those with fear or an inferiority complex request protection;

—He trusts in the scientific capacity of Argentine researchers, who are capable of new discoveries and do not need to copy;

—This will bring to the country the financial capital scientists need to make pharmaceutical discoveries.

According to Cavallo, "national laboratories will receive investments, and this will allow them to engage in original research." The minister said that "there will be many pharmaceutical products discovered and patented in Argentina thanks to this protection."

Economy Ministry officials yesterday mentioned that the executive branch could sign a decree regulating the GATT accord. That move would have two purposes: First, it would block congressional insistence on an eight-year grace period before the patents law enters into effect, and second, we would avoid having a period without any law (the previous one, No. 111, was annulled), a period that would otherwise end only when Congress approves the bill returned with President Menem's objections.

The GATT agreement has already been ratified by the national Congress. Therefore, the only thing we need for full implementation, according to Cavallo's men, is a decree regulating it. Such is Cavallo's interest in breaking the deadlock that officials were even thinking of approving separate regulations to deal with GATT articles referring to intellectual property rights first.

Di Tella on Hurd Meeting, 'Irreversible' Falklands Claim

PY2004191895 Buenos Aires TELAM in Spanish 2020 GMT 19 Apr 95

[FBIS Translated Text] New York, 19 Apr (TELAM-SNI)—Foreign Minister Guido Di Tella had a meeting

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

with his English counterpart Douglas Hurd today. During the meeting, Di Tella reiterated the "irreversible" nature of the Argentine claim over the Malvinas Islands.

"The meeting was extremely positive and very cordial, although with some tense moments," Di Tella told TELAM after the meeting in this city.

Di Tella again talked to Hurd about the meaning of the paragraph on Argentina's sovereignty over the Malvinas Islands that was incorporated into the national Constitution.

Di Tella stressed the firm Argentine decision to make the claim through diplomatic means and to respect the way of life of the islanders.

"On one hand we reaffirmed our irreversible commitment with respect to the claim, but we also reiterated to Hurd that our efforts will be made through diplomatic and juridical means," Di Tella said.

About other sensitive issues on the bilateral agenda, such as oil exploration and fishing in the seas around the archipelago, Di Tella said that "the differences remain, but there is a desire to make progress."

Di Tella said he exchanged with Hurd "scientific information" on how to maintain marine species in the South Atlantic because the British "are very much concerned that fishing is reaching the level of depredation."

The foreign minister said, however, that "our scientists do not think that is the case," and "we have decided upon a meeting between scientists from the two countries on the subject."

Hurd praised the Argentine position in favor of the extension of the Nuclear Nonproliferation Treaty (NPT) as well as the recent Argentine initiative on the embargo against Iraq, Di Tella said.

"I cannot be pessimistic or optimistic. We have simply advanced a lot. We want to advance more, but we have some pending problems that are difficult to solve," Di Tella said when evaluating the meeting.

The foreign minister said he will meet with Hurd again during his visit to London in June, adding that there will be important news regarding the two countries' bilateral relations before that date.

Di Tella arrived in New York this morning, met with Hurd, and departed again for Washington.

Di Tella will speak at the United Nations on 24 April within the framework of the conference on the extension and revision of the NPT.

Tells Hurd: Falklands Sovereignty 'Non-Negotiable'

PY2104013095 Buenos Aires TELAM in Spanish 1529 GMT 20 Apr 95

[FBIS Translated Text] Buenos Aires, 20 Apr (TELAM)--Foreign Minister Guido Di Tella said today that he explained on 19 April to his British counterpart, Douglas Hurd, that a possible bilateral agreement on oil exploitation in the South Atlantic would not be achieved at the expense of the Argentine sovereignty over the Malvinas Islands.

Di Tella emphatically told Radio Del Plata: "I told him (Hurd) that we would not achieve any agreement on oil, no matter how advantageous it may be, if it compromises, however slightly or indirectly, our sovereign rights and claims" over the Malvinas Islands.

The foreign minister, who is visiting Washington, yesterday met with his British counterpart with whom he reviewed issues involving joint oil and fishing exploitation in the Malvinas Islands area.

Di Tella surmised: "I believe he understood our stance, but hoped to introduce some jurisdictional issue with the oil discussions."

The minister stressed: "I emphasized to him that we would not agree to introduce the (Malvinas) issue" into the negotiations. Di Tella added: "There will be no agreement unless we find a legal solution to this issue."

Di Tella said: "If everything goes well, an agreement could be reached by July," but admitted that, within the framework of bilateral negotiations, there are "problems that I do not want to underestimate."

He said: "We are absolutely against anything that would compromise, however slightly, our sovereignty claim," adding: "Therefore, I am moderately, just moderately, optimistic."

Congratulations Prompt Falklands Celebration

PY2504162195 Buenos Aires LA PRENSA in Spanish 21 Apr 95 p 8

[FBIS Translated Excerpt] The Kelpers are celebrating. On 20 April they celebrated Argentina's acknowledgement of British sovereignty over the islands.

For the first time they were happy to receive a message from Foreign Minister Guido Di Tella: A fax congratulating the inhabitants of the archipelago on the birthday of THEIR [SU, in block capitals as published] Queen. The islanders grabbed these letters of the alphabet to confirm their belief. Island Counselor John Luxton, almost euphoric, told LA PRENSA: "This is the start of a new stage. Di Tella has acknowledged that the Queen is ours and that for him we are British." He arrived at this conclusion by direct equation.

The fax that the foreign minister sent to the editors of the three publications on the islands reads textually:

"Port Stanley. On Friday, 21 April, you will be celebrating the anniversary of Her Majesty, the Queen. It is an important and meaningful occasion for all Islanders,

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

one which will gather your hearts and minds around the much-beloved figure of YOUR [SU, in block capitals as published] Queen.

"As a sign of respect for your loyalties, we would like to join you in your celebrations at a time when the Argentine and British people are doing their best to develop further the already excellent relations that exist between them."

Of course, Di Tella did not want to say how the Islanders interpreted what he said.

The message was just another of those gestures of rapprochement that are a part of a strategy that has been outlined by the minister to win over the 2,000 souls of the archipelago.

Yet, it now seems to be to late for explanations. [passage omitted]

[Buenos Aires NOTICIAS ARGENTINAS in Spanish at 2312 GMT on 22 April reports: "Foreign Minister Guido Di Tella stressed today that the message of greetings to the inhabitants of the Malvinas Islands on the occasion of the Queen's birthday is not a 'slip-up' in the relations between Argentina and Great Britain nor is it an acknowledgement of that country's sovereignty over the archipelago.

Visibly annoyed by the questions on the topic, Di Tella defended his attitude because the Queen's 69th birthday 'is celebrated as a national holiday' on the islands.

The text of the message is considered by the Kelpers tacit acknowledgement of British sovereignty over the islands, according to what was published in the Malvinas, although the minister only considered it as 'an expression of cordiality.'

Even though the foreign minister has received successive bouts of defiance from the archipelago's inhabitants, who express deep phobia for everything that is Argentine, Di Tella stressed that his attitude 'has no legal consequences.'

'The greetings to the Kelpers on the Queen's birthday does not imply any type of acknowledgement. One does not imply another,' he said.

In remarks to a Buenos Aires radio station, Di Tella stated that just because 'Uruguay's national day is celebrated, this does not mean one has become Uruguayan.'

Having used as a pretext the fact that Argentine diplomats visit British embassies where they have been invited to celebrate the Queen's birthday, the foreign minister argued that 'some Argentines sympathize' with the British monarchy."]

Repentant Army Sergeant Explains 'Death Flights'

PY2504133395 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2110 GMT 24 Apr 95

[FBIS Translated Text] Buenos Aires, 24 Apr (NA)—A former non-commissioned Army officer today added his comments to the wave of charges that are being made by military men who now repent their actions during the antisubversive repression between 1976 and 1983. This noncommissioned officer has stressed that "General Santiago Omar Rivero was responsible for the detention center that operated in Campo de Mayo during the military government."

This new confession by former Army Master Sargent Victor Armando Ibanez, also confirms that Pablo Steimberg, a youth who appears on the list of disappeared people, was pushed into the sea from one of the so-called "death flights."

Ibanez today added to the charges already made by former Frigate Captain Adolfo Scilingo and Army Captain Hector Vergez, retired. He stated that many of those on the list of disappeared people went on the "death flight" from the Campo de Mayo detention center, known as "El Campito."

The new "repentant" wanted to confirm that "General Santiago Omar Rivero" was the officer "principally in charge" of "El Campito" detention center.

Ibanez, 44, was discharged following a "depressive fit" in 1994 when he was posted at a regiment in the town of Tandil. He made his confession in order to "vindicate those who died innocently," and "to cooperate in recompiling the lists" of those who disappeared that the courts have requested from the Armed Forces.

The repentant former non-commissioned officer indicated that "some times they (military men) came from other posts to observe what was going on" during the death flights time. He added that those officers "are now the top military chiefs, but in those days they did not have the guts to stand by the doors of the planes."

Ibanez in 1976 was a corporal at the Military Institutions headquarters in Campo de Mayo when he was called upon to become a member of the Special Groups—the military name given to the personnel charged with carrying out repressive actions.

He stressed that the detainees were housed and interrogated at the buildings that were once the quartermasters and the carpenters shop of Campo de Mayo. These building were later demolished "when an Amnesty International [name in English] group arrived."

In his testimony, which in some passages confirms the report of the Conadep [National Commission on the Disappearance of Persons], Ibanez pointed out that his task consisted of feeding, clothing, and taking detainees to the bathroom.

He estimates that between 1976 and 1978, when he was posted to "El Campito," some 2,300 persons were lodged there. He also revealed that the death flights were carried out "three or four times a month."

Asked about the fate of those persons, Ibanez indicated that "they were thrown into the sea from Hercules and Fokker planes and even from helicopters."

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

"I remember one night we took a decomposed corpse out in one of those mosquito type helicopters. We flew very low and I believe in a southerly direction. They were ghost flights, without any registered flight plan, and I was able to observe very big fish, like sharks, that followed the helicopter," he said.

Ibanez indicated that the prisoners were injected with "a very strong drug, Pananoval, which wreaked havoc immediately because it caused heart stoppage when applied to any part of the body."

The non-commissioned officer, who used the alias "Petete" or "Chupete" in the clandestine detention center, indicated that he recalls the drug very well because "it came packed, three ampules, in a red and white cardboard box. There were hundreds of them in the warehouse," although he made it clear that "he never" gave an injection to the prisoners.

Ibanez maintains that the military personnel that carried out the flights were rotated, although he refused to reveal the names of the other officers and non-commissioned officers involved.

He recalled that youths were sometimes taken on the planes, and that during the interrogations that he witnessed "there were persons from whom absolutely no information was obtained," yet they were sentenced any way.

"Among the martyrs he recalls the Barciocco family, from the town of El Palomar. The younger son of the married couple, 19 years of age, had committed the mistake of becoming a member of the Guevara Youth, a group of useful leftist fools [perejiles]."

Ibanez also recalled "the Kennedy couple and the conscripts Parada, Nunez, Steimberg, and Garcia, were interrogated, beaten, and tortured until they were loaded on a plane."

The night flights mentioned by Ibanez are in the Conadep book, as reported by persons that survived their detention in "El Campito."

In that report there is the testimony of Carlos Scarpani, who identified Petete as a member of the Task Group that was based in Campo de Mayo, including the names of Orlando Barciocco, Luis Ana Heck de Barciocco, Andres Luis Barciocco, and Daniel Alberto Barciocco, who have now been mentioned by the repentant in his confession.

The medical certificate that was issued when Ibanez was discharged highlights the patient's "symptomatic state" and the fact that the diagnosis also indicates an "depressive fit." For this reason it was recommended that he be exempted from any type of psycho-physical activity and he was given absolute reprieve from any type of work." [quotation marks as received]

Finally, the repentant military man told the Mothers of Plaza de Mayo: "If you consider punishing me, I have already been condemned to the maximum sentence: That of my conscience."

Frepaso Publicizes Foreign Policy Priorities in EU

PY2504113195 Buenos Aires TELAM in Spanish 2147 GMT 22 Apr 95

[FBIS Translated Text] Buenos Aires, 22 Apr (TELAM)—On 22 April, the Frepaso [Front for a Country in Solidarity] Press Office reported that members of the Frepaso Foreign Affairs Committee had traveled to several European countries to expound their alliance's proposals in the area of international relations.

According to a communique, the Frepaso proposals lay emphasis on the Mercosur [Common Market of the South] and Latin American regional integration.

Federico Mirre, the Argentine ambassador to Norway, and Agustin Colombo Sierra, the Frepaso Foreign Affairs Committee coordinator, were entrusted with the task of traveling to several European countries to publicize the Frepaso's platform.

The Frepaso will give top priority to the following issues: Mercosur, poverty, unemployment, environmental protection, drug trafficking, regional and international security, and the arms race.

One of the objectives will be to establish the basis for promoting Latin American regional integration, international cooperation, and technology transfers, and to enhance the role of the United Nations and the World Trade Organization.

Mirre and Colombo Sierra will take advantage of their stay in Europe to accept an invitation to be present at and monitor the 23 April presidential elections in France, where they have already met with President Francois Mitterrand.

Cuban-American International Drug Trafficker Arrested

PY2404130795 Buenos Aires TELAM in Spanish 2156 GMT 21 Apr 95

[FBIS Translated Excerpt] Buenos Aires, 21 Apr (TELAM)—The police have reported that an international drug trafficker, who had been intensely sought by the DEA for trafficking 1,200 kg of cocaine to the United States, has been arrested at a house in this city.

The woman in question is Mercedes Mascalo, a Cuban national arrested by the San Martin Investigative Brigade and Federal Police agents with some cocaine in her possession. The arrest was made at her residence at 1461 Ciudad de la Paz Street.

The police had previously arrested an accomplice, in another operation, who was not identified by the sources and who provided the information that made Mascalo's arrest possible.

It seems that Mascalo, a Cuban national who adopted the U.S. citizenship, had close links with Colombian

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

drug cartels (Cali cartel) and there were two international warrants for her arrest.

At 1000 Buenos Aires and Federal Police agents broke into a luxurious apartment in the Buenos Aires neighborhood of Belgrano, her residence, and arrested the attractive and dangerous "narco."

The woman, 40, with brown hair and blue eyes, speaks several languages and has lived in Argentina for the past three years.

At the time of her arrest, the police seized various false passports that she had used to escape from the Caribbean following her husband's murder in the Bahamas.

From then on "Merci"—as Mercedes was known—resided in a residential Buenos Aires neighborhood. She has at least three cars and two private planes in the name of other persons.

The sources told TELAM that at the time of the arrest the police found two 1 kg "bricks" in her possession. This was part of a pension that the international organization has been giving her (something like a food quota) because she was a widow. [passage omitted]

During today's operations the San Martin Investigative Police seized another 4 kg of cocaine. [passage omitted]

Correction to Congress To Override Presidential Veto

PY2004180095

The following correction pertains to the item headlined "Congress Plans to Override President's Veto of Patents Law," published in the 20 April Latin America DAILY REPORT, page 23:

First column, first paragraph, only sentence, make read: Branch [PEN] yesterday raised numerous "objections" [observaciones] with regard to the Patents Bill and totally rejected...(changing "observations" to "objections" and providing vernacular and correcting "Patents Law" to "Patents Bill")

Bolivia

Justice Minister Reports on New Extradition Treaty

PY2504222095 La Paz LA RAZON in Spanish 17 Apr 95 p 7

[FBIS Translated Text] Yesterday, Justice Minister Rene Blattmann, shortly after returning from Washington, where he negotiated the basis for the extradition treaty between the two countries, told LA NACION: "It could not have been better. It has been a successful mission because we have perceived more flexibility in U.S. positions toward Bolivia's technical proposals."

The head of the Bolivian mission, who met over a five-day period with U.S. State Department and Justice Department officials, admitted that the United States had a very rigid position with respect to his 1990 proposal.

"They said the 1990 document was accepted by former President Jaime Paz and that a commitment already existed between the two countries. That position is now more flexible," Blattman said.

All Projects

The minister warned that he could not categorically say whether the United States would accept the 1990, 1993, and 1995 proposals even though U.S. officials said they will take them into account. Blattmann added, however, that both countries' interests have been reconciled.

"This mission was difficult because of the 1990 project, but we did not lose credibility because our hosts realized that we wanted to do things right. We did not have any closed, absolute, or negative positions, or attempts to impose any criteria. All documents were considered. I do not think we could have done any better," the minister said.

There Will Be No Kidnapping

Minister Blattmann refused to mention details—he wants to deliver his official report to President Gonzalo Sanchez de Lozada and Foreign Minister Antonio Aranibar—but said that the fear of "kidnapping" of citizens from either of the two countries, to be tried or to serve sentences in the other, must now be ruled out.

"We must correct a perception we have here: Kidnapping is not mentioned in the 1990 document presented by the United States, but in the document proposed by Bolivia in 1993. It was a difficult mission because we had to respect a congressional decision to follow up on the 1993 proposal, where what we want to prevent is, paradoxically, included," Blattmann said.

The minister said the Bolivian delegation had a hard time because U.S. negotiators argued that there was a mandate and they wanted to proceed from there.

Second Round

Both missions have agreed that in order to achieve something concrete out of the negotiations that started last week, the two countries must continue their technical discussions until a path is found for a solution that is acceptable for both countries.

Minister Blattmann said it is possible to have a second round of negotiations in the short term. He also announced that the two countries will exchange documents during the next 10 days in order to prepare for those meetings.

"Now we will work on the initial documents. We will inform the president in order to learn his opinion, and in another 15 days, we will decide on the date of a possible second round."

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

"The two countries have agreed to hold those meetings, and we think it would be good if the sessions were held in Bolivia," the minister said.

Blattmann made clear, however, that no deadlines have been set because the talks are not of a political nature.

Further on President's Remarks at Navy Anniversary

PY2504191595 La Paz Radio Cadena Nacional Network in Spanish 1100 GMT 25 Apr 95

[Report by Jorge Jimenez]

[FBIS Translated Text] During a military ceremony, the president of the Republic said the government declared a state of siege to prevent social unrest and political instability. Speaking at the ceremony to mark the 32d anniversary of the Bolivian Naval Force, Bolivian President Gonzalo Sanchez de Lozada said the move will allow him implement his reform plan.

[Begin Sanchez de Lozada recording] The state of exception—called the state of siege—was necessary to implement the law; it was necessary to defend the right of all Bolivians to be educated and to work in peace.

We know the only servitude that does not stain is servitude to the law. Our behavior is fully in line with the law and human rights.

We had to adopt this measure to recover the state of law and to protect the interests of all against the abuse of a few who sought to create internal commotion—an internal commotion that was creating a bad image and jeopardizing the stability of the Republic. [end recording]

Sanchez de Lozada demanded the support of the Armed Forces to guarantee the implementation of the education reform, the people's participation, and privatization.

The Bolivian president sought refuge under the Armed Forces which he identified as guarantors of the system's stability. He said:

[Begin recording] This is a moment of history when the measures adopted will yield the expected results and will help us build a better, more just and prosperous nation. But to achieve, this we need the cooperation of all, especially the military institutions. [end recording]

Defense Minister Says Chapare Not To Be Militarized

PY2604034695 La Paz HOY in Spanish 14 Apr 95 p 3

[FBIS Translated Text] Defense Minister Raul Tovar gave assurances yesterday that the members of the Military Geographic Institute (IGM) who were deployed to the Chapare will strictly carry out their task of measuring coca cultivation areas and not eradicating them.

He said: "It is a constitutional task. The work of the IGM will be to measure the amount of coca cultivation in that region. I believe it is important to know the figures to be able to draw up a coherent antidrug policy."

In a conversation with reporters, Tovar explained that the presence of the IGM members should not create concern among peasants who should really cooperate in order to make it possible to conclude the survey.

The coca growers of Chapare, however, expressed their fear by saying that the presence of members of the Armed Forces in that region "creates the fear of a camouflaged militarization before the starting of coca eradication by force."

The government, which has been forced by a U.S. ultimatum to eradicate 1,750 hectares by 30 June, decided to measure the coca cultivation areas with the purpose of drawing a real map of coca crop cultivation in the conflictive Chapare region.

Minister Raul Tovar, who is a dissident of the UCS [Solidarity Civic Union] headed by Max Fernandez, said: "There is no militarization. The peasants must know that the IGM members will only measure the amount of coca cultivation."

Armed Forces Commander Rejects Any Possible Coup Attempt

PY2504163495 La Paz Radio Cadena Nacional Network in Spanish 1100 GMT 25 Apr 95

[Report by Carlos Telleria]

[FBIS Translated Text] The Armed Forces claim that the bloody history of nefarious coups has been left behind. Armed Forces Commander in Chief Reynaldo Caceres said this and rejected any possibility of a military uprising in the wake of the social turmoil. Gen. Caceres said that to suggest something of the sort is preposterous because the democratic process is undergoing a period of consolidation.

[Begin recording] [Caceres] Nothing like that could happen. It would be irrational. It would be an insult to the institutions.

[Unidentified reporter] Has the constitutional process been ensured in Bolivia?

[Caceres] Yes, fully. We believe in the Constitution, and the Armed Forces' position is very clear.

[Reporter] Does this mean any sign of a possible coup has been ruled out?

[Caceres] Absolutely. The democratic process will continue until the year 2000 and even beyond that. I think this should last forever because we must live under the institutional system. [end recording]

Gen. Caceres' remarks fully follow what President Gonzalo Sanchez de Lozada said in an interview to the

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Chilean newspaper EL MERCURIO. The Bolivian president ruled out a possible coup d'etat, adding that the Armed Forces have been most supportive for the democratic process.

Arrest of Six Teachers Leaders in La Paz Confirmed

PY2504190695 La Paz Television Nacional Network in Spanish 1700 GMT 25 Apr 95

[FBIS Translated Text] Last night at about 2130, the police arrested three teachers leaders at the Teachers Federation office. They are Estanislao Aliaga, Elba Hueso, and Maruja Machaca. It has also been confirmed that three other rural teachers leaders were also arrested at noon today. All six leaders are now at the headquarters of the Judicial Technical Police in La Paz.

Brazil

Lula Criticizes Cardoso's 'Subservient' Attitude in U.S.

PY2504223195 Sao Paulo AGENCIA ESTADO in Portuguese 1932 GMT 21 Apr 95

[By Angela Lacerda]

[FBIS Translated Text] Recife, Pernambuco, 21 Apr (AE)—PT [Workers Party] national president Luiz Inacio Lula da Silva criticized on 21 April the "subservient" attitude adopted by President Fernando Henrique Cardoso during his visit to the United States and deemed Cardoso's insistent requests to the U.S. entrepreneurs to invest in Brazil "pathetic."

In an interview before opening the PT's regional seminar about the northeast region, which ended on 23 April at the Telebras [Brazilian Telecommunications, Inc.] Training Center in the town of Aldeia, in the metropolitan county of Camaragibe, Lula said: "The president went to the United States to deliver part of our assets as a decoy to attract entrepreneurs. He acted as if we were a small country, but Brazil is an important country in the international scenario."

According to Lula, the Brazilian Government could have used the visit to become famous for its defense of the state interests and of its sovereignty. Among the topics to be discussed with President Bill Clinton, Cardoso should have included the need for a new international order that does not penalize Third World countries so crucially.

In Lula's opinion, the lack of a national project is what motivated the "subservient role" adopted by the nation's leader. "Instead of promising things to the U.S. entrepreneurs, it would have been better had Cardoso presented to the Brazilian people a model of national sovereign development based on our reality," Lula pointed out. "After having such a project, Cardoso could hold talks with the U.S. Government or the government of any other First World country."

The PT leaders recalled that for 20 years politicians have been talking about the need for foreign money to solve Brazilian problems without having ever created an alternative based on Brazil's own resources. He said: "Our gross domestic product is not that small. If it were even minimally well distributed, we would be able to do a lot in Brazil." He pointed out that Bolivia, Mexico, and Argentina are concrete examples of the unsuccessful open-market policy and of the development model imposed on the Third World by the wealthy countries.

Lula believes, however, that President Cardoso's pleas will be well accepted. He added ironically: "The entrepreneurs listened to everything they wanted to hear: Look, we will hand you Petrobras [Brazilian Petroleum Corporation], Telebras, and this company and that."

Lula also opposed the proposal President Cardoso made to the IMF, the World Bank, and the Inter-American Development Bank representatives with regard to establishing an emergency credit line to help countries facing difficulties with their foreign debts, in order to guarantee their exchange reserves. Lula pointed out: "We must guarantee our reserves by producing more and exporting the surplus."

The PT seminar gathered 150 party members, including seven federal deputies and the senator of the party's northeastern bloc, in addition to 18 state deputies, mayors, and councilmen of the region.

Cardoso's U.S. Visit Seen as 'Relatively Successful'

PY2504231795 Sao Paulo FOLHA DE SAO PAULO in Portuguese 23 Apr 95 Section 1 p 2

[Editorial: "Fernando Henrique Cardoso's Trip"]

[FBIS Translated Text] President Fernando Henrique Cardoso's visit to the United States has not yielded concrete benefits. Actually, it would not have been realistic to expect any profits. In the final analysis, that was not his intention.

For Fernando Henrique Cardoso, the objectives of the visit and the meetings he held in the United States were much more of a public relations nature, a marketing offensive. This effort, in addition to being opportune, seems to have been relatively successful.

It is obvious that maintaining good relations, opening channels for contact, and facilitating future conversations with the world's main power is always positive. This effort becomes particularly crucial at a time when international economic feelings are uneasy, and when the repercussions of the storm that ravaged Mexico and affected Latin American emerging economies are still felt.

Furthermore, as FOLHA has reported, the receptivity of the U.S. Government to this visit, even in the midst of

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

the commotion caused by the terrorist attack in Oklahoma City, went beyond mere protocol. It is obvious that one cannot harbor expectations that the United States will give preferential treatment to Brazil merely because of an exchange of courtesies. Incidentally, President Bill Clinton clearly noted the attention that he attaches to the problem of patents, hinting that the possibility of imposing sanctions has not been ruled out. Yet Brazil may have bought some time and some good will.

The conversations about the unstable condition of international financial markets and even about drug enforcement, now matter how formal and despite the lack of specific conclusions, have at least given the impression that Brazil is an interlocutor that must be heard.

Likewise, the U.S. President's praise for the Brazilian economy has undoubtedly contributed to Fernando Henrique Cardoso's effort to sell an image of a Brazil that is different from Mexico and from the Brazil of hyperinflation, a Brazil that a short time ago was reluctant to reform.

This public relations effort was also made with hundreds of entrepreneurs who listened to the Brazilian president—a fact that is significant by itself. In the final analysis, it shows that at least there is interest in the national situation and—despite the fact that the president did not say enthusiastic words about the prospects of the Brazilian economy to convince foreign capital to return, to calm spirits, or to reduce fears—something has been obtained.

At any rate, President Cardoso is returning to the local front, and as of next week will have the difficult mission of trying to convince Brazilians that the image he sought to convey abroad—of a stabilized country moving toward structural reform—is more than mere advertising aimed at the Americans. And to this end, very concrete actions, measures, and results will now be necessary.

More on U.S. Visit

PY2504235395 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 23 Apr 95 p A3

[Editorial: "A Role For Brazil"]

[FBIS Translated Text] President Fernando Henrique Cardoso's visit to the United States has produced the expected results, as much with regard to the effects of domestic policy as to bilateral relations. The president's extensive and varied program diluted the foreign policy objectives, on the one hand, and, on the other hand, strengthened President Fernando Henrique Cardoso's image, which Government Palace advisers wanted to fix in the minds of the Brazilian people and in the small part of U.S. public opinion that makes note of visits by heads of state to Washington. The balance favors the president of the Republic, but we must now exploit this success. The visit by the president of the Republic to the United States has increased his popularity and political influence. These will fail to wear off with time only if His Excellency transforms them into measures to be adopted with congressmen and governors in order to guide the country along the path Cardoso has opened for it during his conversations with President Bill Clinton, with intellectuals and entrepreneurs, and during news conferences.

Now that things have been well analyzed, there is only one obstacle in Brazilian-U.S. relations, and it is called the patent bill. Whenever he had the opportunity, President Clinton said in public that he understands the Brazilian position, that he is aware of and appreciates the Brazilian president's efforts to obtain approval of the draft bill that is already in the Senate, and that he recognizes the sovereignty and the peculiarities of the Congress headquartered in Brasilia. Whenever he had the opportunity, President Cardoso also said that the Intellectual Property Law will be approved in a matter of weeks or, at most, in a couple of months. Despite these assertions of understanding and good will, President Clinton said: "As you know, we have certain laws in this country that we must comply with." Clinton was thus referring to the obligation the White House has before Congress of imposing sanctions on countries that adopt unfair trade practices. The U.S. legislation unites practices and terms, and Brazil is quickly approaching the fatal terms. When practices and terms come together, however, there will be no political force capable of preventing the U.S. Government from imposing sanctions on Brazilian foreign trade. This will result in huge losses in terms of a reduction in opportunities and loss of jobs. Everyone, except a small group of senators, knows that the patent bill is of more interest to Brazil than to the United States. The Americans have ways of compensating for acts of piracy. Brazilians, however, would lose businesses and jobs.

For some years, the lack of a patent law represented a litigious matter conflictive enough to compromise the two countries' bilateral relations at a low level. This law, however, can no longer be used as an instrument by those who, either intentionally or unintentionally, may want to set Brazil and the United States apart. This is so because bilateral relations have reached a point at which disagreements about specific topics and problems that may arise in the course of the relations are deemed as normal events by partners who have complex and important business in common.

And it is indeed important. Brazil is one of the 10 large emerging markets on which the U.S. trade-growth strategy is built. This position coincides with the Brazilian policy that seeks to increase the country's foreign trade. If, based on this mutual perception, the two countries can catch a glimpse of a long-term horizon, the result will probably be a new edition—this time more refined and consistent—of a preferential and privileged relationship. Brazil will be able to extract from these relations the elements it needs to obtain a firmer regional position, in addition to a more incisive participation in international decision- making processes. The two presidents' decision to ask the U.S. trade representative and

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

the Brazilian foreign minister to review the bilateral trade ties, as well as relations between the Mercosur [Common Market of the South] and the NAFTA, has placed the two nations in the vanguard of hemispheric integration and established the recognition of natural leading positions that will be left unexplored only as a result of ineptitude or lack of political ambition.

President Fernando Henrique Cardoso, therefore, returns to the presidency of the Republic with more possibilities of ensuring political achievements than he did when he left for Washington. Nevertheless, Cardoso will find in Brazil the same challenges he previously faced and that were, after all, proposed by him in the platform with which he won the presidential elections. The difference is that he is now also a depository of the hopes that he has offered to the United States and that have been avidly accepted by all of his interlocutors. Fernando Henrique Cardoso has presented to Washington and New York the image of a nation that is aware of its responsibilities toward its own people and wants to occupy a relevant position in the world. He drafted for himself, in perfect coincidence with what he did during the electoral campaign, a working program that encourages everyone, but requires firm and secure leadership in view of its ambition and scope. This is what is expected from Fernando Henrique Cardoso.

Daily Notes New U.S. Attitude Toward Latin America

PY2504230795 Rio de Janeiro JORNAL DO BRASIL in Portuguese 23 Apr 95 p 10

[Editorial: "Distinction and Confidence"]

[FBIS Translated Text] Even though he was in mourning because of the tragic bomb attack in Oklahoma City, President Bill Clinton welcomed his Brazilian colleague at the White House with the highest honors. As is said in diplomatic jargon, Fernando Henrique Cardoso recieved "red carpet" treatment, which entails clear recognition that Brazil is a decisive partner both for consolidation of the democratic process and for the trend toward opening of markets in the continent.

The warm welcome to the Brazilian president should not be considered as mere protocol. The meeting of old allies was marked by a new tone of distinction and reciprocal confidence. On the U.S. side, the preventive attitudes that rich and powerful countries adopt toward requesting countries have disappeared. On the Brazilian side, distrust and resentment have disappeared under the proud position of its president and under the importance acquired by the country.

For Clinton, Brazil, with a population of 160 million and a gross national product of half a trillion dollars, is one of the world's most important emerging markets, and is now directed by a dynamic politician who has been legitimized by the ballot boxes. He is the first to be received by Clinton in an official, selected visit.

When referring to the effects of the Mexican crisis, Clinton mentioned the United States, Argentina, and Brazil as affected countries, providing a global approach to the problem of speculative capital, and emphasizing the need for hemispheric cooperation. As for the patent bill, he emphasized that a sophisticated country like Brazil, which built an infrared camera that is being installed in the space shuttle, also needs a law to protect intellectual property.

In this line of solidarity in good and bad things, the Brazilian president made some suggestions for reforming international financial institutions and for providing more security to the integration of world economies, without destabilizing markets.

According to Cardoso, the IMF and the World Bank should both play a stronger financial coordination role. The two presidents once again reiterated that the closer the integration between the two countries, the easier it will be to react to the inevitable crises of the future.

If we recall the atmosphere of ideological distrust of the Cold War and the former wear and tear of unfulfilled letters of intention—when Latin Americans deplored their problems and when the United States demanded anticommunist measures—we cannot help concluding that the dialogue has changed for the better.

The old U.S. attitude of "harmless negligence" toward Latin America corresponded to an idea—prevailing in the immediate postwar period—that the countries south of the Rio Grande were an "atypical rear guard," which was a courteous euphemism for the pejorative "dark backyard" [preceding two words in English], the "dark corner" of the hemisphere. It was problematical cosmetics.

Changing the terms of the rhetoric of that time, the Brazilian president today says that reforms in Brazil will come within some weeks or months, and that this is important, not for the United States but for Brazil. The prompt U.S. reaction to the Mexican crisis shows that Washington is perfectly aware that hemispheric solidarity is an imperative of destiny and not merely an acquiescent salvation operation. Whatever happens south of the Rio Grande also affects the United States. Those countries are now part of the resolution of global problems. Negligence [preceding word in English] has been replaced by concern [preceding word in English].

It won't be a group of pension fund speculators who will discontinue this rhythmical march toward the future.

Cardoso Suspends Trip to Portugal

PY2504134095 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 25 Apr 95

[FBIS Translated Text] President Fernando Henrique Cardoso has suspended his trip to Portugal to personally head the strategy to get constitutional amendments on economic subjects approved in Congress. The president

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

is particularly concerned over an amendment that suspends the government monopoly on piped gas distribution.

Cardoso canceled his trip after being alerted by Chamber of Deputies President Luiz Eduardo Magalhaes that an alternate bill on gas distribution is scheduled to be voted on 3 and 4 May.

Cardoso may still travel to Portugal if the Chamber of Deputies does not vote on constitutional amendments on 3 and 4 May.

Senators Want To Suspend Approval for Sivam Loan

PY2504144195 Sao Paulo AGENCIA ESTADO in Portuguese 2211 GMT 24 Apr 95

[Report by Mara Bergamaschi]

[FBIS Translated Text] Brasilia, 24 Apr (AE)—The Senate may revoke the authorization it granted to the government last December to contract a foreign loan amounting $1.4 billion for the Sivam [Amazon Region Surveillance System] project. With the support of 15 senators, Senator Eduardo Suplicy (PT-SP) [Workers Party-Sao Paulo] will present on 25 April a draft bill to annul the former Senate decision.

To be approved, the bill, whose date for discussion has not been scheduled yet, needs to be approved by the simple Senate majority, that is, the majority of the senators present in the session. If approved, Suplicy's bill will suspend for an undetermined period the negotiations on the implementation of the sophisticated radar system in the Amazon region. Under the Constitution, the government can only contract foreign loans with Senate approval.

Since the Amazon surveillance system project is totally financed by the U.S. and Swedish Eximbanks, as well as by foreign suppliers—headed by the U.S. company Raytheon—the veto to the loan will leave the Sivam totally without financial coverage. The federal budget allocations for the Sivam project are laughable. Without foreign resources, it is impossible for the Aeronautics Ministry and the Strategic Affairs Secretariat (SAE) to continue the project.

"The authorization to contract the loan must be revoked until all the doubts on the Sivam project are clarified," said Suplicy as he read his draft bill from the Senate rostrum. He said "suspicions" mainly fall on the process of selecting ESCA as the national integrating company. Senator Jader Barbalho (PMDB-PA) [Brazilian Democratic Movement Party-Para] has documents that prove the Aeronautics Ministry selected ESCA before other national companies were able to hand in their proposals to the government.

Beside this, ESCA is under investigation for having defrauded the National Social Security Institute, according to an accusation made by Deputy Arlindo Chinaglia (PT-SP). There is also a controversy over the financing allocation for ESCA—which claims it will receive $140 million, although figures in official documents show it will receive $250 million—and over the technological quality of the equipment. "All this must be reexamined by Senate committees," Suplicy said.

Presidential Spokesman Admits ESCA Could Remain in Sivam

PY2504134595 Sao Paulo AGENCIA ESTADO in Portuguese 0016 GMT 25 Apr 95

[FBIS Translated Text] Brasilia, 24 Apr—Planalto Palace Spokesman Sergio Amaral said today the government wants the ESCA [Automation and Control Systems Engineering] company—which was chosen to administer the Sivam [Amazon Region Surveillance System] project—to straighten out its situation with the National Social Security Institute (INSS). Today, for the first time, the government admitted that ESCA could remain in the Sivam project.

"There is nothing to justify the disqualification of the firm," Amaral said without commenting on accusations that the requirements for the implementation of the Sivam project were designed around the technical capabilities of ESCA. For Amaral, nothing proves ESCA is disqualified as a consequence of the charges.

Government Selection Process of ESCA, Raytheon Viewed

PY2504175795 Sao Paulo FOLHA DE SAO PAULO in Portuguese 23 Apr 95 Section 1 p 9

[Article by Gustavo Krieger]

[FBIS Translated Text] Documents obtained by FOLHA DE SAO PAULO show that the selection process in which ESCA [Automation and Control Systems Engineering] company—which is specialized in military contracts—was chosen to administer the Sivam [Amazon Region Surveillance System] project, has been manipulated.

As the Sivam administrator, ESCA participated in selecting the U.S. company Raytheon which will supply equipment for the project.

The selection process documents show the prerequisites demanded by the government for the companies interested in administering the Sivam project could only be fulfilled by ESCA.

The company will thus win a nearly $120 million contract. The contract has not been signed yet because ESCA is being accused of defrauding the social security system.

When the Sivam project was designed, the government demanded that it be administered by a "national integrating company" to keep control of the technology of the system in Brazil.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Alleging that it was classified information, the government did not follow the law regulating public bids. It created a special selection process.

On 16 June 1993 the SAE [Strategic Affairs Secretariat] wrote to engineering, automation, and consulting companies and associations asking for nominations of companies interested in administering the Sivam project.

In the letter, the government said candidates should have experience in integration projects involving investments above $200 million.

Beside this, the company must prove participation in the operational design of air traffic and defense systems and in the implementation of radar systems.

The requisites also included software [preceding word given in English] (computer programs) development for the integration of radars in air defense systems.

The interested company also had to prove that it had participated in the administration and implementation of telecommunications systems nationwide.

Finally, it had to have, at the time, a technical team to develop such projects.

ESCA was the only company in the country that fulfilled these requirements. It had participated in the development of the Flight Protection System and implemented Cindacta (Combined Air Safety and Air Traffic Control Center).

ESCA absorbed the technology of that system which controls air traffic at the main Brazilian airports.

The evidence that the government knew that only ESCA fulfilled the selection requirements is written in the minutes of the meeting during which the Sivam coordinating commission chose the national integrating company on 13 September 1993.

The minutes state that only two companies had participated in projects similar to those listed in the SAE letter.

The first was the Hidroservice Engineering company, which participated in the first stage of Cindacta, but which was discarded because it "became estranged from the Aeronautics Ministry for not further developing or updating" its technology.

Hidroservice did not fulfill the requirement of maintaining a team capable of developing a project like the Sivam.

Such a team could only be maintained by the company contracted by the Aeronautics Ministry to administer Cindacta—which is ESCA.

The meeting minutes conclude that "only ESCA remained." ESCA was defined as "a company that had demonstrated via several contracts with the Aeronautics Ministry its capability, especially in the development of software for the Air Traffic Control System, for the Air Defense System, and in endless supplementary services rendered to the Aeronautics Ministry."

On 16 September 1993 the SAE sent a letter to engineering and consulting companies saying that the proposal was being evaluated. But ESCA had been chosen three days earlier.

ESCA had a decisive participation in the selection of the U.S. Raytheon company for the $1.4 billion contract for the supply of equipment for the Sivam.

The government made a selection process to chose the equipment supplier for the Sivam. ESCA participated in this selection because it was chosen by the government to administer the system.

The SAE formed a special commission to examine proposals from the international consortiums that disputed the Amazon surveillance contract.

ESCA participated in this commission and in the technical group that examined each item of the proposals.

The majority of the members that made up the technical group that analyzed the financial proposals belonged to ESCA. Five of the nine members of the group were appointed by ESCA.

The financial aspect was decisive in selecting Raytheon. The government established that it would only give the Sivam project to companies that could obtain enough international loans to finance the project.

Raytheon disputed the contract with the French Thomson company and practically stood equal with it in the technical analysis of its equipment and price proposals.

The decision was made during the examination of the financing proposals of each group. Most of the experts that examined the financial proposals belonged to ESCA.

Government Promises To Prove ESCA Has Not Been Favored

PY2604032395 Rio de Janeiro JORNAL DO BRASIL in Portuguese 25 Apr 95 p 4

[By Leandro Fortes]

[FBIS Translated Excerpt] Brasilia—The Strategic Affairs Secretariat (SAE) will present to the federal Senate documents allegedly proving that the government did not favor the choice of Esca [Automation and Control Systems Engineering] to manage the Amazon Region Surveillance System (Sivam). An SAE employee has said that the consultation with engineering, automation, and consultation companies unions interested in participating in the project was conducted on 10 August 1993—35 days before the decision, which was registered in an act at the Committee for the Coordination of the Sivam Project (CCSivam), in favor of Esca.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

According to charges published in the Sunday [23 April] issue of FOLHA DE SAO PAULO, the SAE and the mission that is coordinating the project have manipulated the choice. The newspaper revealed the existence of a document dated 16 September 1993, in which the then secretary for SAE Strategic Programs and Projects, Sergio Pedro Bambini, acknowleged receipt—three days after Esca was officially chosen—of the list of enterprises sent by the unions.

According to report by a CCSivam member, the document was, as a matter of fact, a gesture of "courtesy" toward the consulted unions, and no commitment regarding dates was made in it. The SAE promised to supply to the Senate all documents and acts, and to report the dates on which they were signed. These details would prove that although the letter to the unions was mailed three days after the choice of Esca, the CCSivam had already analyzed, a long time before, the list of companies interested in participating in the project.

By clarifying details of how Esca was chosen, the SAE and the CCSivam plan to neutralize the wave of charges involving the project and, in particular, prevent the proposal made by Senator Eduardo Suplicy (PT - SP) [Workers Party - Sao Paulo]—which contemplates cancellation of the Senate's authorization for foreign financing to Sivam—from being accepted by the plenary session of the Senate. The SAE fears that if foreign financing is canceled, the CCSivam will not be capable of obtaining new credit with a 7.5 percent interest rate and a grace period of up to eight years, terms that were granted in 1993. [passage omitted]

Military To Tell Congress Sivam Must Be Implemented

PY2604024095 Sao Paulo FOLHA DE SAO PAULO in Portuguese 24 Apr 95 Section 1 p 9

[By Lucas Figueiredo, special correspondent to Tabatinga, Amazonas State]

[FBIS Translated Text] The Armed Forces are trying to prevent Sivam [Amazon Region Surveillance System] implementation from being postponed.

In view of charges made against the company that manages the project, Esca [Automation and Control Systems Engineering], signing of contracts that make the project feasible has been suspended. Esca is suspected of having forged documents for payment of contributions to the Social Security Ministry.

The tactic being used is to take the deputies who comprise the National Defense Committee to the Amazon Region to convince them that the government runs the risk of losing control over the region if the project is not implemented.

To this end, the group supporting Sivam implementation has lobbied with use of a Boeing 737 of the Presidency of the Republic.

The Armed Forces want to transform the congressmen into allies in the dispute to speed up the implementation of the project.

The Sivam contemplates the control of the Amazon Region air and ground space through radars and satellites. The system will also gather information about mineral resources and indigenous land.

The contract, which should have been signed last week, has been postponed after federal Deputy Arlindo Chinaglia (PT - SP) [Workers Party - Sao Paulo] charged Esca with committing fraud against the Social Security Ministry.

The Ministry confirms that there has been fraud, but does not point out the culprits.

FOLHA DE SAO PAULO has found out that in a secret meeting held in Manaus on 21 April, Army, Navy, and Aeronautics officers handed the deputies a series of alleged threats to national sovereignty in the Amazon Region.

According to the military, the Amazon Region isolation could lead to the internationalization of the region. The country would also allegedly lose some battles in such a situation.

The military gave as examples the demarcation of extensive areas of indigenous reservations, the internationalization of the drug enforcement effort in the region, and the presence of religious missions that are allegedly groups interested in Brazilian mineral resources.

General Germano Pedrozo, commander of the Amazon Region Military Command and one of the speakers at the lecture given to the deputies, said: "If all countries have their own controls, why shouldn't we have ours as well?"

After the lecture, FOLHA DE SAO PAULO consulted seven of the 11 deputies present. All said they were willing to contribute to an effort to hasten the signing of the contract.

Deputy Jair Bolsonaro (PPR - RJ) [Progressive Renewal Party - Rio de Janeiro], who is also a captain in the reserves, said: "We congressmen must oppose those who create obstacles to Sivam."

Deputy Jose Rezende (PTB - MG) [Brazilian Labor Party - Minas Gerais] added: "This project is very important and, after what we have been shown here today, we must make it a reality."

Deputy Antonio Joaquim (PDT - MT) [Democratic Labor Party - Mato Grosso] said: "I am not familiar with Esca but, undoubtedly, we cannot postpone the implementation of the project."

The deputies have received a document about the dangers of an internationalization of the Amazon Region

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

written by General Carlos Meira Mattos, the same general who commanded the troops that closed Congress in 1968.

IMF Directors Voice Support for Real, Economic Team

PY2504191195 Sao Paulo AGENCIA ESTADO in Portuguese 2210 GMT 24 Apr 95

[FBIS Translated Text] Washington, 24 Apr (AE)—IMF Managing Director Michel Camdessus today reiterated his support and confidence in the economic team and in the short- and medium-term measures adopted by the government to consolidate the real. IMF Deputy Managing Director Stanley Fisher was even clearer. Asked about the pessimism with which some economists now look at the real, Fisher said: "It is certainly wrong to say that the game has been lost. They (the Brazilian economic team) are playing the game and are doing it well."

Fisher believes prospects remain "very good, provided the government implements the measures that we believe are already being implemented." He added: "The obvious fact is that the fiscal situation needs to be consolidated through a variety of measures that will have to pass through Congress," adding: "It is difficult to imagine that this will be done very fast, but it cannot be delayed for ever. Our optimism stems from our confidence in those conducting the economic policy."

Government Leader Hails Approval of Reform

PY2604010595 Sao Paulo AGENCIA ESTADO in Portuguese 1926 GMT 25 Apr 95

[FBIS Translated Text] Brasilia, 25 Apr (AE)—PMDB [Brazilian Democratic Movement Party] Deputy for Sao Paulo Luiz Carlos Santos, the government leader in the Chamber of Deputies, has said that the approval of the amendment that eliminates the states' piped gas supply monopoly is "a great victory for the country, and it will permit investment in an area in which there are major disavantages." He emphasized that gas accounts for only 3 percent of Brazilian power needs, while in developed countries this figure reaches 30 percent. Santos said the amendment may be voted on by the plenary session in May, but he declined to mention any dates. The next two amendments to be voted on by the special committees are the one redefining the concept of the Brazilian enterprise and another dealing with coastal navigation. PSDB [Brazilian Social Democracy Party] Deputy for Sao Paulo Jose Anibal, the party leader in the Chamber of Deputies, also hailed the landslide victory in the committee (24 votes to 6). He said opposition parties "make a lot of noise, but have no proposals." He gave assurances that the speed of voting work remains the same. Next week, the special committees will study the four other amendments for opening the economy.

Committee Approves End of Piped Gas Supply Monopoly

PY2604003895 Sao Paulo AGENCIA ESTADO in Portuguese 1912 GMT 25 Apr 95

[FBIS Translated Text] Brasilia, 25 Apr (AE)—The contitutional reform that eliminates the states' piped gas supply monopoly has just been approved by a special Chamber of Deputies committee by a vote of 24 to 6. The committee approved the bill submitted by rapporteur Jorge Tadeu Mudalen, a PMDB [Brazilian Democratic Movement] leader for Sao Paulo. The bill preserves the rights of owners of current concessions.

Uranium Reserves Drop by 140.8 Tonnes

PY2504191395 Madrid EFE in Spanish 2023 GMT 23 Apr 95

[FBIS Translated Text] Sao Paulo, 23 Apr (EFE)—The Brazilian magazine ISTOE reports that Brazilian uranium reserves dropped by 140.8 tonnes following an alleged bad deal between the Brazilian Government and the U.S.-Swiss Nuexco company.

This was part of a 275.7 tonne uranium shipment that was "rented" to Nuexco.

The Nuclear Industries of Brazil (INB) revealed a few days ago that Nuexco—which went bankrupt last February—owes 27.3 tonnes of uranium to Brazil.

ISTOE states that only 135.5 tonnes of what it rented were returned to Brazil. ISTOE states: "The other 112.9 tonnes were considered sold in exchange for the rent which totalled $1.7 million." The magazine says the "the deal with Brazil envisaged renting, not the sale, of nuclear fuel."

The magazine adds that this means Brazilian uranium reserves dropped by 140.8 tonnes—just under half the uranium concentrate the two Angra nuclear plants will consume per year (350 tonnes). These plants are located on the coast of Rio de Janeiro State.

The amount is equivalent to one third of the total uranium possessed by Brazil.

The Brazilian uranium shipment rented to Nuexco was stored in European warehouses, to whom Brazil paid $200,000 per year. The uranium was shipped to the Canadian company Cameco.

The contract with Nuexco was signed at the beginning of 1994—two years after Nuexco began having difficulties following a large drop in the international uranium prices. It had purchased a large amount of uranium from the former USSR.

Nuexco Director James Lightner told ISTOE magazine: "In those days, our problems did not seem to be as serious because we did not allow them to be made public."

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

INB President Roberto Franca said: "The problem was caused by resorting to a mediator."

Lightner said the whole 275.7 tonne uranium shipment from Brazil was delivered to the Cameco plant in Ontario.

"The company must have redistributed the nuclear fuel among its clients in Canada or abroad," the Nuexco president answered when asked about the destination of the 27.3 tonnes of uranium which Brazil claims it did not receive.

The fear that the uranium may have been diverted to Iraq which, according to ISTOE, twice attempted to buy from Brazil part of its uranium reserves, has been ruled out by sources consulted by ISTOE.

The magazine nonetheless points out that the "maneuver by INB and Nuexco deeply irritated the Brazilian Navy which has a program to build a nuclear submarine and which was deprived of its strategic reserve."

People Link Corruption to Violence, Poverty to Crime

PY2604010995

[FBIS Editorial Report] Rio de Janeiro JORNAL DO BRASIL in Portuguese on 24 April publishes, on page 4, two articles on polls conducted by JORNAL DO BRASIL/Vox Populi concerning links between corruption and violence and poverty and crime.

The first, an unattributed 300-word article, reports that in a poll conducted by JORNAL DO BRASIL/Vox Populi from 13 to 16 April, 28 percent of the 3,178 interviewed Brazilians directly associate increasing urban violence with government corruption, 25 percent attribute it to police influence, 18 percent to the drug traffickers' power, and 14 percent to criminal organizations. The article adds that the poll—which has been conducted in all regions and states of the country, except the states of Roraima and Amapa, in addition to the Federal District—also reveals that 36 percent of the people hold wealthier people most reponsible for violence, 28 percent hold the destitute people responsible for violence, and 15 percent hold middle-class people responsible for it, while only 1 percent of the interviewees believe everyone is to blame for violence. The article concludes by reporting that 62 percent of the interviewed Brazilians bluntly reject the idea of purchasing weapons and 35 percent approve of such purchases. Some 85 percent of those interviewed have no weapons in their homes, while 14 percent do possess weapons. Furthermore, 90 percent of the people are opposed to carrying guns, 4 percent said they always do, and 2 percent said that "depending on the occasion," they think it is correct to carry guns.

The second, an unattributed 260-word article, reports that a similar poll was conducted among Rio de Janeiro residents. These people, unlike the rest of the country, believe that the most destitute people are the ones primarily responsible for urban violence: 39 percent believe the poorest people are more to blame, 28 percent believe the wealthiest people are responsible for urban violence, and 12 percent attribute responsibility for urban violence to the middle class. The article adds that 78 percent of Rio de Janeiro residents surveyed reject the idea of purchasing weapons and 21 percent approve of it, while 87 percent of those interviewed do not have weapons in their homes and 88 percent disapprove of the idea of carrying arms.

Colombia

Minister To Ask Nicaragua To Clarify San Andres Position

PA2504125495 Mexico City NOTIMEX in Spanish 1742 GMT 21 Apr 95

[FBIS Translated Text] Santa Fe de Bogota, 21 Apr (NOTIMEX)—Colombia will request that Nicaragua clarify whether it will claim sovereignty over the San Andres Archipelago. The archipelago was ceded to this South American country under the 1928 Barcenas-Esguerra Treaty.

"Nicaragua's double standard is unreasonable," said Colombian Foreign Minister Rodrigo Pardo during a telephone interview he granted Radio Caracol from New Delhi, where he is making an official visit.

Nicaraguan Foreign Minister Ernesto Leal stated the previous evening that he was going to strengthen his country's relations with Colombia and that the recent tensions, which arose from discussions over the treaty that marks the limits between both countries, had been overcome.

However, Nicaraguan Deputy Foreign Minister Jose Pallais told a Nicaraguan newscast this Thursday [20 April] that his country will file suit against Colombia at The Hague International Court of Justice to claim the San Andres archipelago in the Caribbean.

"We cannot establish a policy based on ambiguities," Pardo insisted when he asserted that "it would be a serious offense to Colombia" if Nicaragua ventures to file an international suit.

The old dispute over the sovereignty of the San Andres and Providence Islands, which are located approximately 290 km from the Nicaraguan coasts, was revived in the past weeks, after two Colombian fishing vessels were seized in waters that Managua considers its domain.

Pardo rejected a recent congressional proposal to declare Nicaraguan Ambassador to Colombia Ernesto Salmero "persona non grata" because he had stated that he was in favor of reviewing the Barcenas-Esguerra Treaty.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

"The ambassador explained that his statements had been taken out of context and did not represent his position," the minister said, pointing out that "due to the confusion, it is best to find out what Nicaragua's official position is."

He reiterated that during his talks with Leal in New Delhi, his colleague had said he hoped the incident would not hinder their bilateral relations.

After insisting that international treaties "are unchangeable," Pardo commented that, although Nicaragua would surely fail if it attempted to sue Colombia, the event would "be an unfriendly gesture for a country that is working towards integration."

He announced that he will meet again with his Nicaraguan colleague next week, and that he will request a clarification of "what his country's true position is."

"I prefer to take the direct approach and contact the minister because, after all, he is the deputy foreign minister's and the ambassador's superior," the Colombian official added.

"We are hoping that Leal's position is correct because, if not, we would reply with firmness as warranted and with calmness derived from knowing that judicial arguments back the Colombian position," Minister Pardo stated.

Government Acquires Nicaraguan Share of EU Banana Market

PA2304120695 Santa Fe de Bogota Emisoras Caracol Network in Spanish 1200 GMT 22 Apr 95

[Report by Luz Miriam Quintero from the "Caracol's 0600 to 0900" newscast]

[FBIS Translated Text] The country's banana sector has good news. Colombia has become the second most important banana exporting country to the EU, having increasing its quota for that market to 24 percent. Foreign Trade Minister Daniel Mazuera Gomez revealed that in a diplomatic action, the Colombian Government negotiated with Nicaragua for 3 percent of its banana export quota to the EU which it could not meet. Mazuera explained that Colombia, which had a 21 percent quota for sales to the European market in 1995, now will be the second largest provider of bananas to Europe with 24 percent of banana sales. Costa Rica is in first place.

[Begin Mazuera recording] The Nicaraguan quota—which was relinquished by Nicaragua because it did not have sufficient bananas— has been taken over by traders in Colombia who sell Colombian bananas in Europe. This means that the 21 percent which Colombia has guaranteed for 1995 will be increased to 24 percent. This means Colombia will be, if not the first at least second largest banana exporter to the European market [end recording]

This means that the national banana industry will sell approximately 66,000 thousand additional tons of bananas, an amount equal to the 3 percent it negotiated with Nicaragua. Producers will reap the benefits in the second quarter.

Government To Privatize Financial, Energy Sectors

PA2504201295 Mexico City NOTIMEX in Spanish 0144 GMT 23 Apr 95

[FBIS Translated Text] Santa Fe de Bogota, 22 Apr (NOTIMEX)—The Colombian Government today announced the privatization of state-owned financial, energy, and industrial sectors as part of an ambitious investment plan. Finance Minister Guillermo Perry Rubio said that Banco Popular will be sold within the next two weeks, thus marking the beginning of the privatization process. The decision was made public following a Council of Ministers meeting at which the achievements of the economic policies of the first eight months of the government of President Ernesto Samper were analyzed.

Perry explained the privatization of energy to the media. But he declined to provide details on the sale of the financial and industrial sectors. He stressed that in the electrical field, the assets of the Electrical Inter-Connection, Inc. (ISA), La Nacion, and the parastatal Ecopetrol [Colombian Petroleum Enterprise] companies will be merged. The finance minister also explained that with the aid of domestic and foreign advisers, four joint ventures will be created with private capital.

Liberal Party Secretary General on Various Issues

PA2604020395 Santa Fe de Bogota Emisoras Caracol Network in Spanish 1200 GMT 25 Apr 95

[Interview with Luis Prieto Ocampo, secretary general of Colombia's Liberal Party, by Caracol News Director Dario Arizmendi in the network's studios in Santa Fe de Bogota; from "Caracol's 0600 to 0900" newscast—live]

[FBIS Translated Text] [Arizmendi] We greet Luis Prieto Ocampo, secretary general of the Liberal Party [PL] and former Colombian ambassador to London. He has also served as president of Banco Cafetero, president of the National State Bank, and president of the National Association of Industrialists, ANDI, among many other positions held both in the public and private sector. Good day, Dr. Prieto.

[Prieto] Good morning.

[Arizmendi] Will you remain as PL secretary general?

[Prieto] No. I talked.... [pauses] When I went to my car and was told Juan Guillermo Angel had disavowed me, I really thought I [words indistinct] here, because [words indistinct] I have no problem in withdrawing. I do not want anything, nor am I interested in anything else.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

I went there and spoke to him, and he told me he had disavowed me in no way; on the contrary, he asked me to stay on and to continue working. He and I have been friends our entire lives. We have been personal friends for a number of years and maintain good relations. I asked him what happened. He said nothing had happened, saying he was asked whether the PL secretary general was authorized to [word indistinct] or ask someone to resign, and I told him no. I have not asked anyone to resign. The only thing I have said, praising Senator Espinosa for her action, is that if I was confronted with a similar case, I would have also resigned. That is what I said. I do not know where all these other versions came from [words indistinct].

I went there only to help Juan Guillermo and the PL hold a convention and found this allegation the prosecutor made on 21 April. I acted in accordance with the regulations and my duty, keeping Dr. Juan Guillermo Angel informed, as he himself has publicly said. Anyway, we went there to patch up any differences that may have existed. I told him I will continue in my position.

[Arizmendi] The comptroller has said you summoned him many times for certain procedures regarding your actions.

[Prieto] That is ridiculous. That is ridiculous. I only ask.... [pauses] One time, (Coloca) sued me, because I empowered an attorney to investigate certain drafts that were missing.

[Arizmendi] The person who was sued, however, has no reason to resign.

[Prieto] I do not know about that. I said everyone knows what he or she did. I have not said he should resign. In no way have I said that. I was asked, when I praised the attitude of Senator Espinosa, what did I think of the others. I said if I was confronted with a similar case, I would resign.

[Arizmendi] Didn't the PL Ethics Commission perhaps make a slipup by provisionally excluding from the PL those congressmen who will be investigated to see whether there is merit for the Supreme Court of Justice to file a criminal suit against them, at the request of the Prosecutor's Office?

[Prieto] Listen, Dario. This is what I think: The PL was right in establishing a Ethics Control Council; this is necessary in all parties and nearly all institutions, given the current situation Colombia is experiencing in the eyes of the domestic and international public opinion and in light of the damage caused by drug trafficking. It is important to begin a process to clean up and identify conducts. This is alright.

I repeat, the PL was right in establishing this Ethics Control Council, which consists of respectable individuals and excellent jurists. We must understand that this is an ethical control; that is, the trial is ethical. Therefore, they must accept that the council should handle these affairs. I [words indistinct], because, first of all, I am not an attorney. I believe everyone should stick to his own field or specialty. I respect what they are doing, until a competent official contests that point. I am not that competent authority to try anyone. Therefore, when I was confronted with this problem, I decided to convene this Ethics Council, something which I did in agreement with Juan Guillermo Angel. We convened this council and told them: Gentlemen, this is what is happening. This is very serious for the country and the PL. God knows what will be the repercussions of this matter, given the origin of the allegations.

We must not forget it comes from the highest prosecutors of the country. One may think that when a news conference is convened to denounce a series of individuals, in this case, coincidentally, all PL members, when they are accused—I do not want to assess the significance of that report—of somehow reaching agreements with drug trafficking groups, this should be given the importance it deserves, and we must respond rapidly.

I told Ethics Council members: Gentlemen, take a look at this matter. You are autonomous and sovereign. I am dropping this issue here with you, and I am leaving. They met on 21 April, and they themselves convened on 22 April so as to allow the participation of members residing in Cali and Medellin.

They met behind closed doors that Saturday for four hours by themselves and produced what they did. What is the value of this meeting? Well, they have explained. In a meeting we held yesterday to clarify our position, they again explained. The president of the directorate called the prosecutor who said he would respond in the afternoon as to what the value of those reports was, because that is what they are—reports, and that is the situation.

This matter has been complicated very much. It is an annoying situation. I thought I would never come across this mess. I got that position only to help Juan Guillermo Angel and do the PL a favor until the convention. This affair has been quite boring.

[Arizmendi] Did you know that certain congressmen want to have a debate with you, because they believe you rushed a decision that did not respect the right to the legitimate defense of parliamentarians? That point is why they called the PL Directorate yesterday and asked about the resolution whereby you were appointed PL secretary general. They found no signed resolution, because Alvaro Benedetti and Yolima Espinosa did not find them. They are now separated from the PL and cannot sign that resolution appointing you PL secretary general.

[Prieto] That may be true, but I don't give a damn. I have no interest in staying there. As I said before, I am neither a politician nor do I maintain political activities. I am not expecting any appointments. I went there in good faith to do a favor, setting my peaceful life aside. I have

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

no interest in keeping that post. If I am not appointed, praise the Lord! This will allow me to get out of this problem. I have no interest in keeping this post. I hope I am not appointed.

Newsman Preparing Defense, Says Nothing To Hide

PA2504153895 Santa Fe de Bogota Inravision Television Canal A Network in Spanish 0000 GMT 25 Apr 95

[From the "Seven O'Clock Newscast"]

[FBIS Translated Text] In a note issued to the media tonight, newsman Alberto Giraldo, for whom an arrest warrant has been issued by the Prosecutor General's Office on charges of illegal acquisition of wealth, says that he is preparing his defense and will appear before the authorities as soon as possible. Giraldo said that he intends to establish his legal situation, that he has nothing to conceal, and that, for this very reason, he will not try to flee. His actions as a citizen and newsman have been guided by his desire to make a permanent contribution to peace, he said. The proceedings being conducted by the Prosecutor's Office are not normal; this office is trying to allay the U.S. political pressure which has affected various strata on Colombian society, he adds.

Giraldo again admits that he has known the Rodriguez Orejuela brothers since 1977, when they worked as representatives for a U.S. multinational corporation. He reiterates that he is preparing to clarify his legal situation with the state.

Paraguay

Wasmosy Rejects Continuous Changes to Mercosur Treaty

PY2504120095 Asuncion ABC COLOR in Spanish 22 Apr 95 p 4

[FBIS Translated Excerpt] Villarrica—"We cannot behave like puppets and continuously change the economic and political conditions of a treaty," President Juan Carlos Wasmosy said, referring (though he did not mention them) to the Carlos Menem administration in Argentina, and the Henrique Cardoso administration in Brazil, which not long ago proposed increasing Mercosur's [Common Market of the South] common external tariff.

Wasmosy said vehemently: "We are a small but sovereign country," adding that his government "will see that treaties are respected." This was a reference to the Treaty of Asuncion, through which Mercosur was created. "The government will not accept changes forced by economic needs in other countries because we are an autonomous country," the president said, without elaborating or giving details. [passage omitted]

Wasmosy: 'Not Appropriate' To Draft Youths Into Military

PY2504190795 Asuncion ABC COLOR in Spanish 22 Apr 95 p 4

[FBIS Translated Text] President Carlos Wasmosy yesterday said the presence of 15-year-olds among 2d Army Corps recruits is "very dangerous." The 2d Corps is based in Villarrica. The president ordered the Army to stop accepting "children" as recruits. The required minimum age is 17.

The president received military honors appropriate to his position upon his arrival at the airport in Villarrica. When the president realized that in the line there were some very young soldiers he approached them and asked them their ages. They said they were between 15 and 17 years old. Immediately Wasmosy called the 2d Corps military commanders and told them that it was not appropriate to recruit children into the Armed Forces.

Uruguay

Foreign Minister Disagrees With U.S. Human Rights Report

PY2504162595 Montevideo LA MANANA in Spanish 18 Apr 95 p 2

[FBIS Translated Text] Foreign Minister Alvaro Ramos yesterday emphasized: "Compared with other countries, Uruguay is an example for human rights issues." He denied any racial discrimination against blacks in our country. As far as women are concerned, Ramos said "the entire society must make an effort" to give more fluid access to key posts and political posts. He rejected the word "discrimination."

The Uruguayan foreign minister described as a "bureaucratic" document the human rights report drawn up by "distant" officials that the U.S. State Department has sent to the U.S. Congress. He added: "Besides Uruguay, this document reviews the status of human rights in 190 countries." Ramos said: "It was drawn up in a bureaucratic and distant fashion. The report does not specifically review Uruguay in detail and within the required context. It is an internal U.S. Congress report, without more significance than that."

The Uruguayan foreign minister said the report released by the newspapers does not compromise the Uruguayan Government at all. He said newspapers "carefully relayed the report," especially the three pages involving Uruguay." [no opening quotation marks as received]

The Uruguayan foreign minister noted that, comparing with the status of human rights in the other 190 countries, "Uruguay is an example for human rights issues."

Ramos said that, in his opinion, there is no discrimination against women in our country, but admitted that it is necessary to enhance "the possibilities of women

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

gaining access to government and other key posts." He pointed out: "This effort must be made by the entire society."

Ramos noted: "All Uruguayans are aware that there is no racial discrimination in our country. There are socioeconomic problems, but not racial."

As far as the U.S. State Department report is concerned, the Uruguayan foreign minister said "the government had nothing to do" with the report "because it is an internal U.S. Congress report," issued in compliance with a U.S. law. He noted: "It does not have any jurisdiction over Uruguay."

The Uruguayan foreign minister said we must be "very careful not to involve ourselves in aspects affecting national sovereignty." He said the report "does not touch upon any activities of the Uruguayan Government."

Correction to U.S. State Department Report Discussed

PY2404205495

The following correction pertains to the item headlined "Officials Discuss U.S. State Department Report, which appeared in the 24 April 1995 Latin America DAILY REPORT.

Page 57, column one, pararaph eight, sentence one, please make read: ...document published by Serpaj [Peace and Justice Service—a human rights organization]. This organization has... (changing editorial note)

Venezuela

President Announces Wage Increase for Armed Forces

PA2504134395 Caracas EL UNIVERSAL in Spanish 22 Apr 95 Section 1 p 12

[FBIS Translated Text] At the inauguration of the "Volvamos a Carabobo" residential complex in Fort Tiuna, Venezuelan President Rafael Caldera announced an increase in wages for the National Armed Forces [FAN].

President Caldera said that despite the fiscal budget's limitations, the executive branch is willing to make an effort to increase wages to help military personnel face the current situation. The wage increase will enable them to compensate for the reduced purchasing power of their wages allowing them to meet their most important needs.

We know that officers have had difficulties, the same as the rest of the Venezuelans, as a result of the high cost of living. We are aware that the same wages that seemed to be plentiful in the past are now insufficient to satisfy basic needs. Therefore, I want to announce that despite the fiscal deficit's limitations, my administration is willing to make an effort to increase the wages of the FAN officers, noncommissioned officers, and soldiers.

FAN Watches Out for Members' Well-Being

In his speech, President Caldera pointed out that the inauguration of military housing is a signal and a commitment, because the FAN's well-being is a basic duty of those who are responsible for their command.

I want to congratulate the Armed Forces through the defense minister, the High Military Command, the Army commander, the president and leaders of the National Armed Forces Social Welfare Institute, and the president of Seguros Horizontes, who constantly cooperates with the efforts to improve the situation of the FAN personnel.

The president reiterated the government's commitment to satisfy the most important and basic needs of the troops, "aware as we are of the fundamental role, the heroic role played by the Armed Forces in defense of the fatherland, in maintaining peace, and in strengthening the democratic institutions that we Venezuelans have conquered through struggle and sacrifice."

Caldera said that construction of military housing is a basic concern. Therefore, he is pleased to see perseverance in the effort, "continuity in the administrative area, and continuity in the concern to make it easier for young officers' families to live well, to enjoy a healthy, decent life, and to have all the essential services."

Labor, Business Leaders Support Anti-Inflation Plan

PA2404224195 Caracas Venezolana de Television Network in Spanish 1550 GMT 21 Apr 95

[From "The News" newscast]

[FBIS Translated Text] The ministers who make up the economic cabinet are analyzing issues dealing with the anti-inflation plan today. CTV [Venezuelan Workers Federation] President Federico Ramirez Leon confirmed in a meeting with the agrarian movement that his organization is willing to participate in the anti-inflation pact provided that more groups participate and prices are stabilized.

[Begin Ramirez recording] There must be a provision, meaning price stabilization, because if prices are not stopped and if they continue to threaten the family's economy due to voracious speculation, the CTV will have to outline its endorsement of the anti-inflation plan in other terms. [end recording]

Incidentally, Fedecamaras [Venezuelan Federation of Associations and Chambers of Commerce and Industry] maintains its pledge to support the anti-inflation plan but will submit some interesting proposals to the CTV and the government.

[Begin Fedecamaras President Edgar Romero Nava] We insist that there are solutions. We would like to talk with the two sectors to improve the workers' purchasing power without having a big impact like the one we

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

currently face with inflation, and without affecting jobs. Jobs must be protected because it is in the interests of businessmen and workers. [end recording]

Government To Authorize Imports To Check Rising Food Prices

PA2604042895 Caracas Venezolana de Television Network in Spanish 1550 GMT 25 Apr 95

[Report by Zaida Pereira from "The News" newscast]

[FBIS Translated Text] The government will authorize imports as an alternative to check the rising food prices on items not subject to price control measures. The Development Ministry does not reject the possibility, however, of reaching agreements with producers on this issue.

Development Minister Werner Corrales has said they are trying to resolve important snags in the marketing chain, but the government will not allow shortages being used to increase prices, the reason why it is willing to authorize immediate imports to break the trend in price hikes. One of those products that has increased at least twice during the current week is meat. According to information obtained at several stores, prime beef is already at 1,250 bolivares, and it is estimated it will stand at 1,500 bolivares by the end of the week:

[Begin Corrales recording] We will be calling producers to talk with them and try to get them to voluntarily control the price hikes. [end recording]

Crude Oil, Liquid Gas Production Increased in 1994

PA2604024795 Caracas REPORTE DIARIO DE LA ECONOMIA in Spanish 24 Apr 95 p 10

[FBIS Translated Text] Lagoven, Inc.'s summary of 1994 activities states that average crude oil and liquid gas production during 1994 was higher than 1993 by 44,000 barrels per day and 5,000 barrels per day, respectively. Thus, crude reserves increased by 299 million barrels to total 26.467 billion barrels at the close of the period.

Regarding gas, production reached 1.583 billion cubic feet per day, of which 31 percent was injected into the fields, 34 percent was delivered to the domestic market, and the remaining 35 percent was used to generate's Lagoven's own electricity.

Likewise, the potential for crude oil and condensate production increased by 34,000 barrels per day compared to 1993. Drilling and completion of 124 wells (119 vertical and five horizontals) and the repair and service of 1,945 wells helped achieve production and potential goals.

Important Production Projects

The Eastern Secondary Recovery Project is one of the most noteworthy projects in crude and natural gas production. It has allowed up to now the injection of 76 million barrels of water in El Furrial field in Monagas State so as to keep the field under pressure and to maintain production. Another production increasing project was instituted in this same field and has increased the field's potential by 20,000 barrels per day.

Gas compression capacities were increased by 700 million cubic feet per day in the Eastern Division once Tia Juana-4, Tia Juana-5, and Lagunillas-2 plants were completed.

Refining: 130,000 Barrels of Gasoline Processed

The Amuay Refinery processed an average of 430,000 barrels of crude oil per day, of which 64,000 barrels per day were heavy crude oils. This volume represents the biggest of this type of hydrocarbon ever to be processed in this refinery.

This processing procedure has allowed performance production levels of 130,000 barrels per day of naphthas and gasolines, 181,000 barrels per day of distillates and gas oils, 90,000 barrels per day of high sulfur residuals, and 22,000 barrels per day of asphalts.

During 1994, the Amuay Refinery continued near the maximum aggregate value that can be obtained from its processing units. To this end, additional opportunities were taken advantage of, worth $8 million compared to 1993 opportunities.

As a 1994 achievement, the completion and successful startup of the Delayed Coking Plant, the construction of which began in 1991, should be noted. This new unit was designed to process 34,000 barrels of tar from other primary refinery processes and will generate high value international market products, such as distillates, naphthas, propanes, and butanes. It is estimated that it will provide about 23.5 billion bolivares in income.

When it was put into service, the Amuay Refinery increased its processing capability from 64,000 barrels to 98,000 barrels per day, which allowed it to refine significantly greater volumes of heavy crude than the ones being refined without an increase in the amount of residuals. It was also able to process an amount of heavy crude identical to the amount processed before the plant was put into operation while substantially reducing the amount of residuals produced.

Likewise, the Fluid Coking Plant conducted uninterrupted operations for 743 days with an average production of 62,000 barrels per day. These figures are the highest attained in 12 years in which the plant has been in operation and is a world record regarding the total volume of tar processed in plants of this type.

Finally, in response to the specification changes introduced in U.S. gasolines, the refinery exported the first four shipments of formula gasoline (930,000 barrels).

Lagoven Exported 918,000 Barrels Per Day in 1994

The exports for 1994 were 918,000 barrels per day, of which 647,000 barrels were crude oil and 271,000 barrels were byproducts, all at an average price of $13.77 per barrel.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

With the purpose of increasing earnings, the company sold 11,200 barrels per day of piled crude [crudo pilon] of 13.5 degrees API [American Petroleum Institute] as a residual fuel that was exported to Europe and the U.S. east coast, as well as 14,100 barrels per day of heating oil that was sold in the unconventional markets of Latin America and the Caribbean.

Lagoven sold along the U.S. Gulf coast an average of 121,000 barrels per day of Furrial crude and continued to be one of the principal exporters of asphalt in the international market, with an average of 27,200 barrels per day, of which 86 percent was destined for the United States.

As for marine fuels or bunker fuel, the volume sold increased by 15 percent, and an improvement in the selling price of $0.50 per barrel as compared to 1993 was obtained.

In the domestic market, the sale of products reached a total of 83,000 barrels per day, including natural gas and liquefied petroleum gas.

Roundup of Economic Developments

PA2504180595

[FBIS Editorial Report] The following is a compilation of reports on economic developments in Venezuela monitored through 25 April.

According to a recent report by Softline Consulting, the Banking Operations Index, which reflects the ratio of credit portfolios to total deposits, has reached its lowest level ever, registering 28.61 percent during the first half of 1995. This is due to low demand for credit that stems from the uncertainty prevailing in the financial sector for over a year. Total deposits stood at $2.672 trillion bolivares in March 1995, that is, a 1.37 billion bolivares increase over March 1994. The following banks received the most deposits during the first half of 1995: Provincial, 580.749 million bolivares; Mercantil, 329.291 million; Venezuela, 280.827 million; Latino, 269.480 million; Consolidado, 222.576 million; Industrial de Venezuela, 125.925 million; Union, 106.665 million; Caribe, 105.109 million; Lara, 73.536 million, and Caracas, 68.693 million. The banks with the lowest credit portfolios between February and March were: Consolidado, 74.054 million bolivares, Latino, 8.479 million; Provincial, 6.945 million, and Venezolano de Credito, 4.933 million. (Caracas ECONOMIA HOY (ECONOMIA Supplement) in Spanish 19 Apr 95 p 9)

According to official sources, foreign investment increased 78 percent during the first two months of 1995 compared to the same period of 1994. Direct investment reached $33.5 million in January and February 1995, compared to $18.84 million during the same period in 1994. Fifty percent of the investments came from Latin America and were made in industry, commerce, services, finance, customs, transportation, and hotels. Many regional companies are establishing centers of operation in Venezuela in order to distribute their products to the Latin American market. (Caracas EL GLOBO (EL GLOBO ECONOMIA Supplement) in Spanish 19 Apr 95 p 3)

Lagoven is producing about 450,000 barrels of petroleum per day (bpd) in western and eastern parts of the country using gas and water injection. A company official said production on Lake Maracaibo using using this technique has increased to 340,000 bpd. This technique was first applied in Zulia State in 1954 and has since been used elsewhere. Lagoven is also using water injection in wells in El Furrial, Monagas State, with a resulting production of 55,000 bpd. (Caracas EL GLOBO in Spanish 20 Apr 95 p E-7)

Corpoven President Guillermo Archilla says that the company's total revenues during 1994 reached 588 billion bolivares, exceeding the expected target by 1 billion bolivares. Corpoven produced 815,000 bpd, an increase of 86,000 bpd. This is a 76 percent increase over Corpoven's 1986 predictions. The company's total reserves reportedly increased 383 million barrels; reserves were set at 16.1 billion barrels. (Caracas REPORTE DIARIO DE LA ECONOMIA in Spanish 20 Apr 95 p 11)

Banco Latino has held its first shareholders meeting, 15 months since the government took it over. It is estimated that the state will recover only half of the funds invested in saving this bank. It is now a smaller bank with fewer assets, but it is financially sounder. Bank President Gustavo Roosen revealed that the bank has more than 1.3 million clients, deposits of 271 million bolivares, and a loan portfolio of 61 million bolivares. The goal is to reprivatize this bank and its 122 branches. (Caracas Venezolana de Television Network in Spanish 1550 GMT 21 Apr 95)

A year-end report from the Finance Ministry says that revenues stemming from the domestic sector of the economy amounted to 674.7293 billion in an unspecified currency in 1994. This exceeded revenues 44 percent. The Finance Ministry reported that income tax generated 136.6931 billion bolivares in 1994, 418.1 million bolivares more than budgeted. Luxury and wholesale taxes generated 262.1083 billion in an unspecified currency, a figure excluded from the Budget Law, because this tax was levied in August 1994. The luxury tax has become the largest source of revenue, displacing the income tax from first place. Liquor taxes totaled 22.7765 billion bolivares. Cigarette taxes were 29.227 billion bolivares. Fiscal stamps revenues and real estate registration taxes amounted to 13.917 and 15.5551 billion bolivares, respectively. As for customs revenues, 129.3089 billion bolivares were collected in 1994, 115.706 billion of which corresponded to ordinary revenues and the remaining 13.6024 billion to customs services. Gasoline taxes amounted to 31.0337 billion bolivares, and oil revenues totaled 740.172 billion bolivares. Iron revenues amounted to 1.377 billion bolivares. Special revenues totaled 258.994 billion bolivares. (Caracas EL GLOBO in Spanish 24 Apr 95 p E-4)

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

The Venezuelan oil industry spent $3.59 billion on exploration and drilling in 1994, $224 million on exploration and the remainder on drilling. Depreciation and amortization expenditures totaled 111.099 billion bolivares, while interest expenditures amounted to 12.334 billion bolivares. By 31 December 1994, fully depreciated assets amounted to 28.266 billion bolivares. Venezuelan Petroleum Inc. supplied 132 million barrels of oil to the domestic market at an average price of $3.89 per barrel. (Caracas EL GLOBO in Spanish 24 Apr 95 p E-8)

Suriname

President Says Coalition Partner Endangers Sovereignty

BR2504152495 Rotterdam NRC HANDELSBLAD in Dutch 24 Apr 95 p 8

[Unattributed report: "Venetiaan: VHP Is a Danger to Suriname's Freedom"]

[FBIS Translated Text] Paramaribo, 24 April—President R. Venetiaan has accused his coalition partner, the VHP [Progressive Reform Party], of endangering Suriname's sovereignty. Venetiaan, who is chairman of the NPS [Suriname National Party], doubted whether the 'New Front' coalition of NPS, VHP, KTPI [Party of National Unity and Solidarity], and SPA [Suriname Labor Party] would enter the elections in May 1996 in its present form.

In response to Venetiaan's attack, leading VHP member P. Radhakishun, chairman of the VHP advisory council, said that Venetiaan should be removed as president. He pointed out that a removal of this kind was possible if the VHP voted with the opposition in parliament, which has been pushing for Venetiaan's resignation for some time.

Radhakishun accused Venetiaan of having dictatorial characteristics. He said that two years ago he had paid little attention to the fact that Venetiaan called himself an Afro-Surinamer, but now he had a different view. When Suriname became independent in 1975 the Hindustani VHP, then as now under Lachmon's leadership, opposed the move, and the NPS had taken the initiative for decolonization.

Venetiaan's criticism was mainly directed against VHP president J. Lachmon, who is also the parliamentary speaker. He accused Lachmon of having discussed the disputed contacts between Suriname and the IMF in the Netherlands last month on his own initiative. "In fact an attempt to hold a coup was made in the question of the handing over of the IMF quarterly reports to the Netherlands," according to Venetiaan. The VHP was also said by the NPS chairman to be preparing Suriname's return to the kingdom of the Netherlands. At a meeting in the Johan Adolf Pengel Institute, Venetiaan said on Friday [21 April] that Suriname would never be allowed to again become a colony of the Netherlands, and that this had been made clear to the VHP chairman. "We are not prepared to again submit to the Netherlands yoke, and we do not stand alone in this," said Venetiaan. Lachmon is waiting for an emergency party council to be held by the VHP this evening before reacting.

Venetiaan said it was not impossible that the VHP, together with the DA91 [Democratic Alternative '91] and Pendawalima opposition parties, would make an election issue out of "Back to the Kingdom." Venetiaan said that in his own party there were people who were prepared to work against this with the NDP [National Democratic Party], the party of former Army Commander Bouterse.

W. Jessurun, president of DA91, said the country would benefit if early elections were organized. He denied striving for a colonial connection with the Netherlands. "'Back to the Kingdom' can never become an election issue for DA," he said.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

?

BULK RATE
U.S. POSTAGE
PAID
PERMIT NO. 352
MERRIFIELD, VA.

This is a U.S. Government publication produced by the Foreign Broadcast Information Service (FBIS). Its contents in no way represent the policies, views, or attitudes of the U.S. Government.

FBIS collects, translates, disseminates, and analyzes foreign open-source information on behalf of the U.S. Government. Its publications may contain copyrighted material. ***Copying and dissemination is prohibited without permission of the copyright owners.***

— Bracketed indicators before the first sentence of each item describe the way in which the material was processed by FBIS.

— Headlines and all bracketed explanatory notes are supplied by FBIS.

— Personal and place names are rendered in accordance with the decisions of the U.S. Board on Geographic Names as adapted by FBIS. Unverified names in radio and television material appear in parentheses and are spelled phonetically; words and phrases in parentheses preceded by a question mark are unclear in the original and deduced from context.

SUBSCRIPTION INFORMATION

U.S. Government Customers

For a list of FBIS products, to subscribe to an FBIS publication, or to indicate a change of address contact:

FBIS
P.O. Box 2604
Washington, DC 20013-2604
Telephone: (202) 338-6735
FAX: (703) 733-6042

Non-Government Customers

Subscriptions are available from the National Technical Information Service:

NTIS
5285 Port Royal Road
Springfield, VA 22161
Telephone: (703) 487-4630
FAX: (703) 321-8547

New subscribers should expect a 30-day delay in receipt of the first issue.